ANNUALREPORT2008

PRIME LOCATION • PREMIUM QUALITY • PRESTIGIOUS CLIENTELE

英利国际置业

YING LI INTERNATIONAL REAL ESTATE LIMITED

CORPORATE PROFILE

YING LI — PREMIER COMMERCIAL PROPERTY DEVELOPER IN CHONGQING

Ying Li International Real Estate Limited (“Ying Li”) is the first significant Chongqing property developer to be listed in Singapore through its key subsidiary, Chongqing Yingli Real Estate Development Co., Ltd. (“Chongqing Yingli” or the “Company”). Chongqing Yingli is a recognised brand in Chongqing for quality, innovation and excellence in commercial property development, and is well-positioned to capitalise on the strong market growth in Chongqing.

Established in 1993, Chongqing Yingli has a enviable track record in urban renewal, having transformed old city areas into high quality and premier design developments. Chongqing Yingli has successfully worked with local authorities to modernise the landscape of the city centre in Chongqing’s main districts, developing several landmark commercial buildings such as New York New York (纽约纽约), Zou Rong Plaza (邹容广场), and Future International (未来国际).

Over the years, Chongqing Yingli has earned numerous accolades and awards such as the Leading Brand in Chongqing Construction in 2007 and Chongqing’s Top 50 Real Estate Development Enterprises in 2001, 2003, 2005 and 2007. The Company’s recognised efforts and capabilities have enabled Chongqiing Yingli to continuously secure land in prime locations, build premium commercial developments and attract prestigious clientele.

CORPORATE STRUCTURE FOR FINANCIAL YEAR ENDED 31 DECEMBER 2008

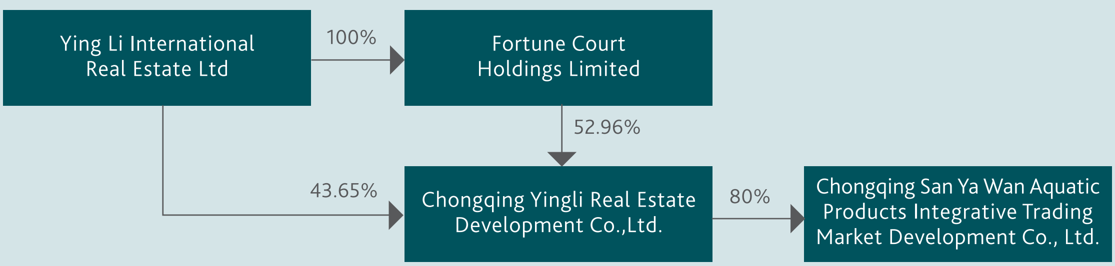
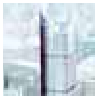
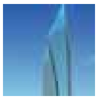
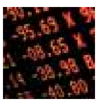
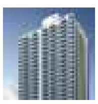
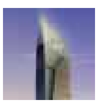
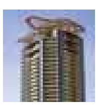
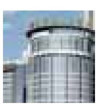
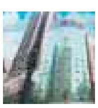


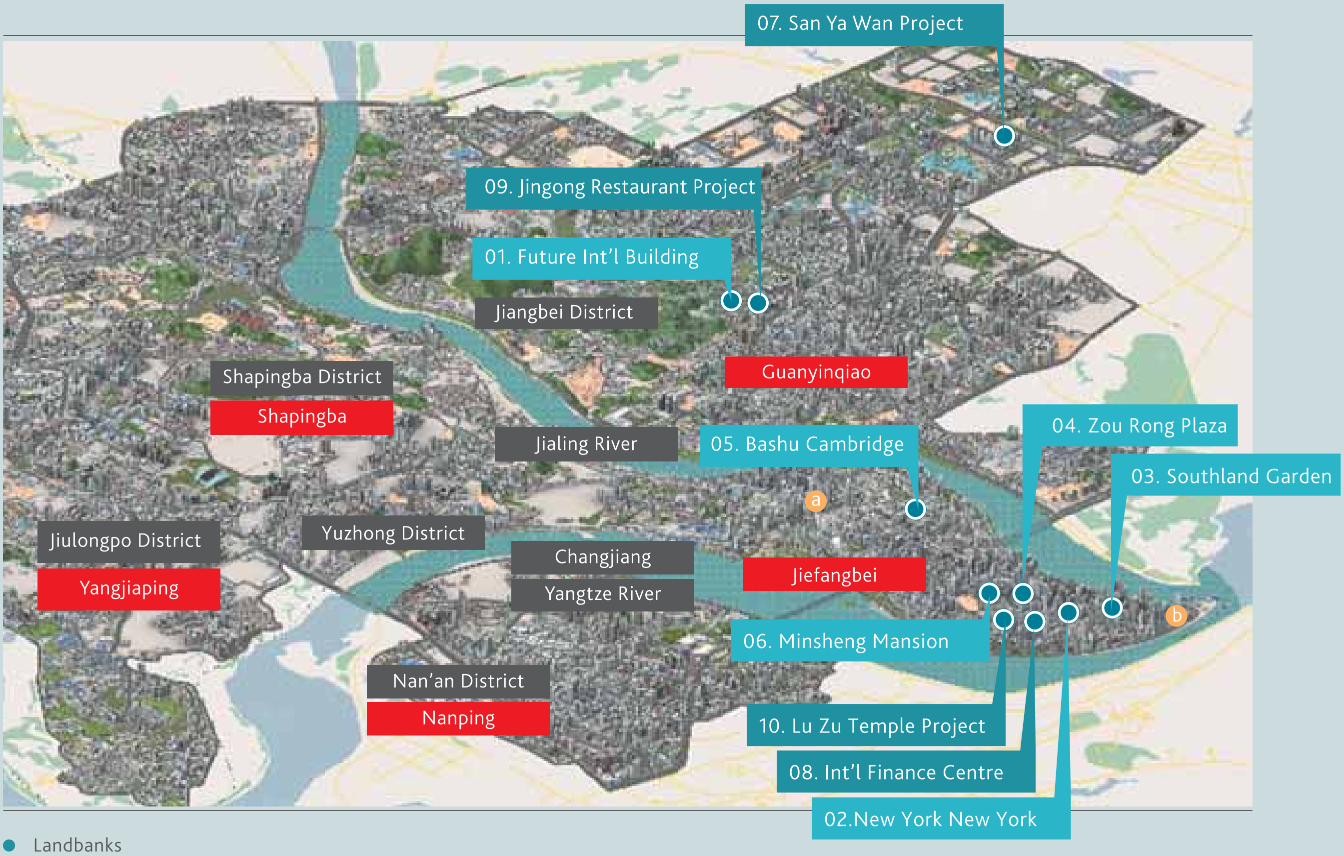
TABLE OF CONTENT

Key Milestones	01
Property Portfolio	02
Chongqing – A dynamic and fast growing city	04
Financial Highlights	05
Chairman’s Statement	06
Chairman’s Statement (Chinese)	08
Operations and Financial Review	10
FAQs	12
Board of Directors	14
Key Management	16
Financial Contents	17

KEY MILESTONES

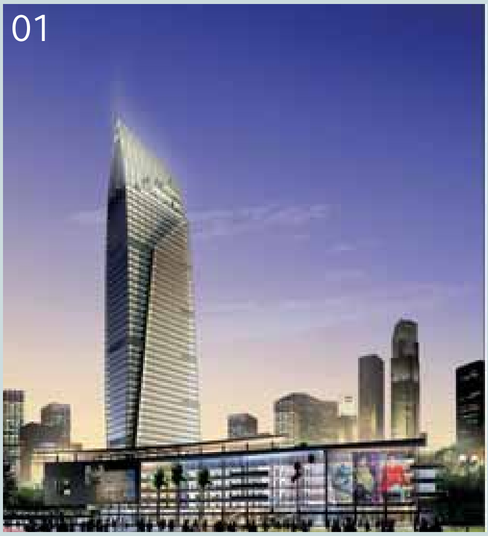
 **2012**	Expected completion of **Lu Zu Temple Area**	*total GFA of 137,987 sqm*
 **2011**	Expected completion of **Jingong Restaurant Area**	*total GFA of 126,000 sqm*
 **2010**	Expected completion of **International Finance Centre**	*total GFA of 173,438 sqm*
 **2009**	Expected completion of **San Ya Wan**	*total GFA of 197,116 sqm*
 **2008**	Listing on **SGX-ST**	
 **2007**	Completion of **Bashu Cambridge**	*total GFA of 43,086 sqm*
 **2006**	Completion of **Future International Building**	*total GFA of 135,540 sqm*
 **2005**	Completion of **Southland Garden**	*total GFA of 57,010 sqm*
 **2005**	Completion of **New York New York**	*total GFA of 41,337 sqm*
 **2000**	Completion of **Zou Rong Plaza**	*total GFA of 102,502 sqm*
 **1997**	Completion of its first project, **Minsheng Mansion**	*total GFA of 63,341 sqm*
1993	Establishment of **Chongqing Yingli**	

PROPERTY PORTFOLIO



- Landbanks
- Completed properties
- Key CBD Districts
- a Chongqing People's Great Hall
- b Chaotianmen

	PROPERTIES	OFFICES	RESIDENTIAL	RETAIL	TOTAL GFA (SQM)	COMPLETION DATE
01	Future International Building 未来国际	●		●	135,540	Completed
02	New York New York 纽约纽约	●		●	41,337	Completed
03	Southland Garden 南国丽景		●	●	57,010	Completed
04	Zou Rong Plaza 邹容广场	●	●	●	102,502	Completed
05	Bashu Cambridge 巴蜀剑桥		●	●	43,086	Completed
06	Minsheng Mansion 民生商厦	●	●	●	63,342	Completed
07	San Ya Wan Project 三亚湾			●	197,116	Est. 2009
08	International Finance Centre 国际开发金融中心	●		●	173,438	Est. 2010
09	Jingong Restaurant Project 观音桥金弓酒店项目	●		●	126,000	Est. 2011
10	Lu Zu Temple Project 鲁祖庙地块	●	●	●	137,987	Est. 2012


01


02


03


04


05


06


07


08


09


10

CHONGQING — A DYNAMIC AND FAST-GROWING CITY

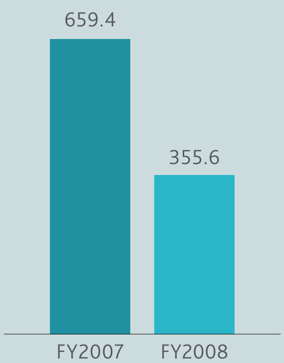
"An important economic growth area for China's West, an economic centre in the upstream area of the Yangtze River, and a municipality with coordinated development for both urban and suburban areas." — President Hu Jintao on Chongqing

The gateway to western China, Chongqing has a land area of 82,400 sq.km., twice as large as Beijing, Tianjin and Shanghai combined, and it is the most populous city in the PRC with a population of over 30 million. Chongqing became the fourth directly-administrated municipality in the PRC in 1997, and was singled out as the economic centre of Western China. As one of the four directly-administrated municipalities in the PRC, Chongqing enjoys a high level of autonomy through its direct access to the Central Government. Chongqing has since benefited from the Central Government's favourable economic policies and achieved remarkable economic development, especially with the implementation of the Central Government's "Go West" campaign and the city's appointment as a "Special Economic Zone".

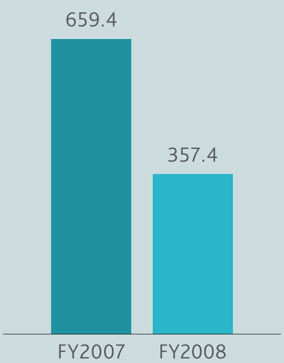
Indeed, President Hu Jintao personally singled out Chongqing as "an important economic growth area for China's West, an economic centre in the upstream area of the Yangtze River and a municipality with coordinated development for both urban and suburban areas". Under the "Chongqing Urban and Rural Master plan (2007-2020) (重庆市城乡总体规划 (2007-2020))", which was approved by the Central Government, Chongqing is set to achieve further social and economic development in the future.

In view of Chongqing's strategic location in the PRC, many domestic and multi-national corporations are setting up their offices in Chongqing to tap the attractive Western China market, spurring demand for infrastructure and real estate developments in Chongqing. In particular, Jiefangbei of Yuzhong District, as the core commercial and business district of Chongqing, has attracted more than 90% of foreign-funded banks and branches of commercial banks in Chongqing.

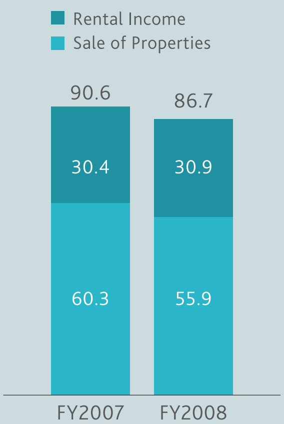
FINANCIAL HIGHLIGHTS



NET PROFIT
(RMB MILLION)



PROFIT ATTRIBUTABLE SHAREHOLDERS
(RMB MILLION)



REVENUE
(RMB MILLION)

KEY FINANCIAL RATIOS

	FY2007	FY2008
Earnings Per Share (RMB)	n.m.	0.63
Net Assets Value Per Share (RMB)	n.m.	0.72
Debt to Equity Ratio (%)	59.38	23.12
Net Debt to Equity Ratio (%)	56.69	16.75

BALANCE SHEET

RMB'million	FY2007	FY2008
Current Assets	375.9	802.6
Non-current Assets	1,333.7	1,283.7
Total Assets	1,709.6	2,086.3
Current Liabilities	502.5	316.8
Non-current Liabilities	416.5	460.0
Total Liabilities	919.0	776.8
Minority Interests	-	23.2
Shareholders' Equity	790.6	1,286.3

CASHFLOW STATEMENT

RMB'million	FY2007	FY2008
Net cash used in operating activities	-82.5	-80.6
Net cash used in investing activities	-9.2	-145.8
Net cash from financing activities	20.1	287.1
Net increase in cash	-71.6	60.7
Cash at beginning of year	92.9	21.3
Cash at end of year	21.3	82.0

n.m. - The post reverse takeover group did not exist in 2007. It is therefore not meaningful to show the comparative figures.

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to take this opportunity to share with you some key highlights of our listing journey, and to provide a review of the performance of Ying Li International Real Estate Ltd ("Ying Li" or the "Group") for the period from 1 April to 31 December ("FY") 2008 as well as our future business outlook.

SUCCESSFUL LISTING ON THE MAIN BOARD OF THE SINGAPORE EXCHANGE

Under the leadership of the Board and with the guidance of JP Morgan as well as other professional parties, Ying Li successfully achieved a listing on the Main Board of the Singapore Exchange on 24 October 2008 through the reverse takeover ("RTO") of Showy International Limited ("Showy"), thereby becoming the first real estate developer from Chongqing, China to be listed on the Singapore Exchange ("SGX"). Our two-year listing journey saw Ying Li raising SGD95 million in the form of convertible bonds through the introduction of our strategic investment partner – CMIA, the unanimous approval of the RTO by Showy shareholders at an Extraordinary General Meeting, and a small share issuance that allowed us to fulfill SGX's listing requirements.

The strong support that Ying Li received from the Chongqing Municipal Foreign Economic and Trade, Development and Reform Commission, Financial Office, the State Administration of Foreign Exchange, Trade and Industry Bureau, and the Inland Revenue Department was instrumental to our successful listing, and truly attests to Ying Li's good working relationship with the local government authorities. Ying Li's listing is a significant milestone in the Group's corporate development as our listing will enable us to tap the capital markets to fuel our continued growth, and is also a recognition of Ying Li's strong fundamentals and growth prospects.

FY2008 PERFORMANCE

Ying Li has a sound and practical operating style, progressive work ethics and proven track record of completing projects successfully, and these have laid a solid foundation for our future development.

In 2008, Ying Li achieved satisfactory performance despite the challenges we faced due to the global slowdown which started late last year. The Group recorded revenue of RMB86.7 million and profit attributable to equity holders of RMB357.4 million in FY2008.

For the year under review, the Group's revenue decreased by 4.3% to RMB86.7 million from RMB90.6 million achieved in 2007 primarily due to a drop in sales of other development properties. Chongqing Yingli's properties are considered highly desirable and thus the number of units left for sale from 2007 was small. Despite the overall drop in revenue, Group rental income remained constant compared to 2007. The Group's net profit attributable to the shareholders decreased from 45.8% to RMB357.4 million from RMB659.4 million in 2007 due to a fair value gain registered in 2007.

UPCOMING PROPERTY DEVELOPMENTS

At Ying Li, we always uphold our business principles of "prime locations, premium quality, prestigious clientele", and thus we continually strive to construct premier commercial and residential buildings at the core business districts in Chongqing that will attract high quality tenants. The SGD95 million raised by way of convertible bonds was used to complete the following:

Development of International Finance Centre

The demolition and construction of the International Finance Centre ("IFC") project is progressing smoothly. At present, we have obtained the land use right for construction as well as the temporary permits to construct. The foundation work is 50% completed and we expect the main construction work of the building to begin in April 2009.

In addition to funds from the convertible bonds issue, we are pleased to have received in-principal support from the China Construction Bank, HSBC and Bank of East Asia for our financing requirements to develop the IFC project. In addition, Ying Li also signed a memorandum of understanding with Jones Lang LaSalle ("LaSalle") to be the marketing consultant for the IFC project. With our track record and experience, and the support of LaSalle, I have confidence that the IFC will join "New York New York" and "Future International" to become the next iconic skyscraper in Chongqing's business district.

Acquisition of San Ya Wan

Using funds from the convertible bonds issue, Ying Li successfully acquired an 80% stake in Chongqing San Ya Wan Aquatic Products Integrative Trading Market Development Co. Ltd ("San Ya Wan"), the holding company for the San Ya Wan project in Yubei district of Chongqing. At the point of our acquisition, Phase 1 of the project was already underway. We are pleased to update that Phase 1 of the project has been completed and the majority of units available for sale have been taken. The opening ceremony of Phase 1 is scheduled in April 2009.

Ying Li has also successfully secured a RMB85 million bank loan from Bank of Chongqing for Phase 2 of the project despite the global credit crunch, which we believe is testament to the Group's strong track record and reputation. At the same time, we have also hired a former Secretary for Commerce and Industry of Chongqing, Mr Jin Qinong, to serve as General Manager of the project. Mr Jin is a valuable asset to the company as he has a wealth of experience in the marketing and management of properties. With a strong management team and the necessary funding in place, we are confident that the San Ya Wan project is well-positioned to become the largest integrated and first-class seafood wholesale centre in the western part of China.

FUTURE PROSPECTS

Chongqing is China's fourth directly-administrated municipality and is located at the centre of China, linking the eastern and western cities and even connecting the southern and northern cities. Following the Central Government's master plan to develop Chongqing as the gateway to western China and the economic center of the upper reaches of the Yangtze River region, Chongqing has become the centre of China's preferential policies. In November 2008, the State Council officially approved the establishment of Chongqing two-way (air and sea) bonded area, which will pave the way for Chongqing to become a logistics distribution centre and enable the city to further develop its existing integrated transport system, and ultimately speed up the development of the western region and the upper reaches of the Yangtze River region. Subsequently in December 2008, the State Council approved the coordinated development for both urban and suburban areas in Chongqing to propel the city into the next phase of development.

China's favourable policy shift towards Chongqing, coupled with Chongqing's strategic location, have attracted many foreign investors to participate in the urbanisation and development of Chongqing and also boosted Chongqing's position in the global cities ranking. In 2008, Jones Lang LaSalle's 500 global cities competitiveness rankings listed Chongqing as the world's 24th highest potential development city; whilst the World Bank classified Chongqing as the fastest-growing city; and Chongqing also topped "the most potential future Chinese cities" published by Fortune; as well as the "top ten most competitive Chinese cities" selected by Shanghai Academy of Social Sciences.

The unprecedented development opportunities and favourable policies have driven Chongqing's development to new heights. Ying Li's established presence in Chongqing's robust and growing property market, as well as our specialisation in urban renewal, will enable us to leverage on the exciting opportunities in Chongqing's property market. More importantly, Ying Li's stringent corporate governance standards, strict cost control management and sound business model will help to shield the Group against business, economic and financial risks.

In view of our upcoming property developments and the positive industry prospects, we believe that Ying Li should be able to achieve operating profit in 2009.

A BIG THANK YOU TO ALL

Firstly, I would like to sincerely thank all our shareholders for your confidence in us. All of us at Ying Li will continue to do our best to exceed your expectations and create greater value for shareholders.

Secondly, I would like to thank our customers, business partners, bankers, suppliers and the various government authorities for your constant support.

Last but not least, on behalf of the Board of Directors, our deepest appreciation to our employees for your hard work, dedication and sacrifice, without which our listing would not have been possible and Ying Li will not be the Group that it is today.

FANG MING
Chairman and Chief Executive Officer

主席致词

尊敬的各位股东：

本人在此欣然呈报英利国际置业股份有限公司2008年度诸项业绩。

2008年，英利国际置业股份有限公司全体员工齐心协力、历经磨砺，成功实现在新加坡主板挂牌上市，成为在新加坡上市的首家重庆房地产开发商；同时公司秉承一贯稳健踏实的经营作风，各项工作稳步推进，项目顺利开展，取得良好的经济效益，为未来的发展打下了坚实的基础。

成功实现新加坡主板上市

在公司董事局的正确领导下，在摩根大通及其他中介机构的通力合作下，通过全体员工的共同努力，2008年10月24日，英利国际置业股份有限公司在新加坡主板成功挂牌上市。在全球金融海啸的大环境下，英利国际置业成功引进了新加坡的战略投资者，成为在新加坡上市的第一家重庆民营房地产开发企业，实现了重庆企业在新加坡上市的零的突破。

公司于2006年底与摩根大通正式决定启动反向收购声威的方案后，于2007年初通过可转债的形式引进战略投资伙伴CMIA并募集了9,500万新币的资金。公司从2008年5月2日正式向新加坡交易所递交上市材料，于2008年8月13日取得新交所的上市批复，于2008年9月26日通过声威的特别股东大会，并最终于2008年10月24日在新加坡交易所主板挂牌上市。英利上市之路历经考验，期间公司先后与重庆市外经贸委、发改委、金融办、外管局、工商局、税务局进行过上百次的沟通，并按照境内外中介的要求取得了所需的所有批文，依法办理了一切法律手续。

在目前整个资本市场走弱的情况下，公司改变了大规模配售的计划，发售较少的股份以满足交易所上市的要求，实现了挂牌上市的目标。挂牌期间全球股市因为金融危机而一路狂跌，但公司股价稳健攀升，成交量也逐渐放大，整体走势良好。

业绩稳步增长

在过去一年中，尽管目前全球的经济环境起伏不定，公司取得了良好的业绩。集团的营收和利润为8,670万人民币。在2008财政年度,股东利润占35,740万人民币。

在审查年度内，集团的营业收入下降了4.3 %，从9,060万人民币降至2008年所取得的8,670万人民币。这完全是由于其他发展销售下降。重庆英利的物业都是一流的。因此，2007留下可供出售的单位是很少的。虽然集团的总营业收入下降，但是集团的租金收入与2007年相比却保持不变。集团的净利润减少了45.8%，从65,940万人民币降至2008年所取得的35,740万人民币。这主要是因为2007年包括了公允价值的收益。

储备项目稳步推进

英利国际置业一直秉持“在第一流的地段、缔造第一流的物业、服务于第一流的客户”的经营方针，在重庆市核心商圈黄金地块，挑选和打造优质项目。2008年，英利国际置业利用通过可转债方式募集的9500万新币资金，成功完成了如下工作，目前进展情况非常顺利，为我们下一步带来了非常好的发展前景：

第一、顺利推进IFC项目的拆迁及建设进程

公司在IFC项目的拆迁过程中，历经种种困难险阻，最终依托政府、立足法律，平稳、和谐地完成了拆迁工作。目前该项目的拆迁工作已经基本完成，取得了国有建设用地使用权成交确认书和临时性建设工程规划许可证，并提前进行土石方开挖工程，现已完成土石方1/2的工程，计划四月份将进入主体工程的上升阶段。

关于IFC项目后续开发贷款，公司已经与建设银行、汇丰银行、东亚银行进行过多次沟通，银行方面均表达了会积极配合公司，在2009年初落实IFC项目的开发贷款。另外，公司已经与仲量联行签订了一揽子合作合同，仲量联行将为IFC项目提供从设计优化、市场顾问、租售代理以及物业管理的顾问服务。此举将为IFC项目的品质以及未来的回报都提供一定的保障。目前该项目建设和资金方面都在顺利推进过程中。本人有信心承续以往建设“纽约·纽约”、“未来国际”等重庆市地标项目的成功经验，将该项目打造成重庆市新的城市地标和世界顶级金融机构在重庆的聚集地。

第二、收购三亚湾项目80%的股权

公司于2008年成功收购位于重庆渝北的三亚湾水产市场项目80%的股权

，目前该项目一期工程已完成竣工验收，正在进行全国招商，并且就二期工程的开发已经取得了重庆银行8,500万人民币的开发贷款。同时公司还聘请了原重庆市工商局局长金起农先生担任该项目总经理，金先生在招商及管理方面有丰富的经验。目前公司正在进行该项目的开业筹备工作，预计2009年4月将实现开业。解决了资金和管理人员的问题，公司有信心将三亚湾项目打造成为西部最大、全国一流的综合水产市场。

未来展望

重庆是中国第四个直辖市，处在中国版图的几何中心，具有承东启西、连南接北的区位优势，拥有长江上游最大的港口和最具潜力的机场。

2007年3月，胡锦涛总书记提出了重庆新阶段发展的"314"总体部署。明确了重庆发展的三大定位——西部地区的重要增长极、长江上游地区的经济中心、城乡统筹发展的直辖市；2007年6月，国务院正式批准重庆市设立全国统筹城乡综合配套改革试验区，随后中央近10个部委先后与重庆签订协议，从不同方面支援重庆发展新特区。同年，国务院明确重庆的定位是中国重要的中心城市。

今日的重庆，更面临着前所未有的发展机遇，成为整个中国政策倾斜的中心。2008年11月，国务院正式批复同意设立重庆两路寸滩保税区，重庆成为中国内陆第一个保税港区。该保税区规划控制面积8.37平方公里，分水港和空港两个功能区。保税区设立后，外贸产品直接从重庆出口、进口，能够充分发挥重庆综合交通优势，形成内陆地区的外贸物流集散地，有利于重庆加快建成西部地区重要增长极和长江上游经济中心。2008年12月31日，中国国务院常务会议上，国务院下发了《支持重庆城乡统筹试验的意见》，部署重庆市统筹城乡改革和发展，并批复了重庆综改区综改方案，重庆综改试验正式全面起航。同时国务院还给予重庆多项金融支持政策，将重庆打造成为“长江上游地区金融中心”。2009年1月26日，国务院出台《关于推进重庆市统筹城乡改革和发展的若干意见》（国发[2009]3号文），明确指出“要站在全局和战略的高度，充分认识加快重庆市改革开放和经济社会发展的重大意义，努力把重庆市改革发展推向新阶段”。重庆的发展，正式上升为国家战略。这一政策的出台，将让重庆成为政策洼地和全球市场热点。

国家的政策倾斜、地位位置的至关重要，让重庆的发展潜力与日俱增，得到了世界各个权威机构的认可。在全球各个权威机构发布的各种城市排名评比中，重庆更成为中国具竞争力和发展潜力城市的杰出代表。仲量联行在全球500个城市的竞争评比中，将重庆评为“全球24个最具发展潜力城市”　；世界银行评价中国投资环境，称重庆是“发展最快的城市”。《财富》公布的“中国未来最具潜力城市”、　上海社科院评出的“中国十大最具竞争力城市”，重庆也荣膺桂冠。

面对如此空前的历史机遇，重庆被推到一个崭新的发展起点，身处重庆腹地、专业从事主城区旧城改造及擅长打造地标性商业物业的本土企业英利国际置业也迎来了更加广阔的发展前景。更为重要的是，公司一直执行严谨的企业治理和稳健的经营模式，能够帮助企业抵御各项风险。我们有理由相信，英利国际置业能够在2008年良好经营业绩的基础上，再创新一年的辉煌。

致谢

在此，本人代表公司感谢一直以来给予我们理解和支持的所有股东。英利国际置业全体员工包括本人将为超越你们的期望而继续不懈努力，为股东创造更大价值。

方明
英利国际置业董事长兼总裁

OPERATIONS & FINANCIAL REVIEW

MODERNISING THE SKYLINE OF CHONGQING

Ying Li is proud to be the first pure-play Chongqing property developer listed on the Main Board of the Singapore Stock Exchange after a reverse takeover of Showy International Limited. Ying Li is focused on the development and construction of buildings that modernise the landscape in the urban districts of Chongqing, and has an established reputation and track record as a leading niche developer of high quality commercial buildings in Chongqing.

YING LI'S FINANCIAL PERFORMANCE

Ying Li derive our earnings from two business segments, namely property development and rental income from our properties. For the period from 1 April to 31 December ("FY") 2008, the Group recorded revenue of RMB86.7 million, down marginally from revenue of RMB90.6 million recorded in FY2007 due to a slight drop in revenue from sales of properties. Revenue from sale of properties in FY2008, which was mainly attributable to sales of units in Phase 1 of San Ya Wan project, was RMB55.8 million, down 7.3% from RMB60.2 million in FY2007 as our properties are considered highly desirable and there were fewer units in our development properties left from 2007 for sale. Meanwhile, rental income in FY2008 was stable at RMB30.9 million compared to RMB30.4 million the year before despite the macro-economic conditions, and we expect our rental income to continue to hold stable and underpin the performance of Ying Li.

Gross profit in FY2008 fell 39.9% to RMB26.0 million from RMB43.4 million because the gross profit margin for Phase 1 of San Ya Wan project was abnormally low at 1% due to certain agreements relating to the Group's acquisition of the entire San Yan Wan project. Nonetheless we expect to achieve substantially higher margins for Phase 2 of San Ya Wan project.

Profit attributable to equity holders in FY2008 was RMB357.4 million, down 45.8% from RMB659.4 million in FY2007. The difference was mainly due to the fair value loss on investment properties of RMB50.5 million in FY2008 compared to RMB834.7 million gain in FY2007. The investment properties were revalued at RMB1,298 million by Jones Lang Lasalle Sallmanns Limited, a firm of independent qualified professional surveyors, and was based on the investment method which involves capitalising the net rental income derived from the existing tenancy with due allowance for the reversionary value of the properties as at 31 December 2008. The revaluation excluded the revaluation of land held by Ying Li for development. Several one-time expenses, including the write off of goodwill of RMB109.4 million that arose from the reverse acquisition of Fortune Court Group, also contributed to the fall in profit attributable to equity holders. A spike in other income in FY2008, which was mainly attributable to the recognition of negative goodwill of RMB485.4 million on the acquisition of Chongqing Yingli Real Estate Development Co, helped to offset the higher expenses and fair value loss on investment properties for the year.

Earnings per share for FY2008 was RMB0.63 whilst Group net asset value per share was RMB0.72. The Group remains in a solid financial position with RMB82.0 million in cash and cash equivalents as at 31 December 2008.

YING LI'S GROWTH POTENTIAL

Upcoming Property developments

In 2009, in view of the macro-economic environment and global credit crunch, Ying Li will concentrate on the timely completion of the International Finance Centre ("IFC") and Phase 2 of San Ya Wan project. The Group will also continue to maintain emphasis on cost savings and efficiency improvements.

Construction and ground works for the IFC, which will be an iconic landmark in Western and Central China, are almost completed and the development is expected to be ready for occupation in 2010. Upon completion, the IFC is expected to be the highest skyscraper in the southwest of China and will have a total gross floor area ("GFA") of 173,438 square metres ("sq m") comprising office and commercial components.

Meanwhile Phase 2 of San Ya Wan project is being prepared for marketing in FY2009. The San Ya Wan project is a retail development with a total GFA of 197,116 sq m, of which 144,377 sq m will come on stream with the launch of Phase 2 of the project.

Growth Beyond 2010

Development works of all Ying Li's major building projects have been progressing according to schedule, with two more properties in prime locations in Chongqing in the pipeline that are scheduled for completion in the next few years. The Jingong Restaurant Project, with total GFA of 113,000 sq m, will be a commercial and entertainment skyscraper that will house exhibition facilities for international conventions and exhibitions, whilst the Lu Zu Temple Project will be a commercial property development located beside the IFC that will have a total GFA of 137,987 sq m.

CREATING A MORE DYNAMIC CHONGQING

Boosting China's economy

The 2009 GDP growth rate target for China has been set at 8% by the Chinese government. As the largest exporting economy in the world, China is also affected by the global economic slowdown, though less so than Europe and the United States. To achieve the target GDP growth rate, the Central government has introduced positive fiscal policies and in the medium to long-term, the four major direct municipalities in China, namely Beijing, Shanghai, Tianjin and Chongqing are expected benefit from them. These measures include the massive USD800 billion fund intended to boost activity in the key sectors of China's economy, particularly infrastructure, housing and consumption. The central government's recent announcement to set up Real Estate Investment Trusts (REITs) to encourage investments in income generating real estate will further boost the commercial real estate sector.

Chongqing — Towards Further Growth into a Vibrant Financial Hub and Free Trade Port

Chongqing, a city with a population of 32 million, has been receiving massive governmental support to be transformed into Western China's trade and economic center. Strategically located along the upper reaches of the Yangtze river, Chongqing has benefited from substantial investments in the development of infrastructure in recent years, and functions as a gateway to further progress in China's Western interior regions.

The central government also has plans to develop Chongqing into a mega financial hub and as a Free Trade port since Chongqing is the biggest inland river port in Western China, and these could generate greater economic activity for Chongqing. With these initiatives in place, the medium to long-term prospects of Chongqing remain positive.

Business outlook

The financial contribution of the IFC and Phase 2 of San Ya Wan project is expected to be moderate in FY2009, and barring any unforeseen circumstances and excluding any fair value adjustments, Ying Li should remain profitable in FY2009.

Despite challenging market conditions, the long-term prospects of Chongqing's real estate market remains positive, especially in the prime commercial space, which Ying Li has a strong niche in. In addition, Ying Li has been working towards increasing the proportion of stable, recurrent rental income by retaining certain commercial properties in good locations. This strategy will enable us to enjoy the potential capital appreciation of our properties and at the same time reduce the volatility of our income. We will continue to leverage on our experienced and knowledgeable management team that has a good working relationship with local government authorities and a well-established network with the business communities in Chongqing to fuel our growth. We believe that with our building blocks and strategies in place, Ying Li is well-positioned to capitalise on Chongqing's further economic growth and booming commercial property market.

+ FAQs +

1. What is Ying Li's business model?

Ying Li outsource most of our development functions, but retain control of the most critical components such as identification and acquisition of new land sites, sourcing of major construction materials, sales of properties, quality control checks and after sales services. This enables the management to have effective control over project costs and maintain the high quality of our developments.

2. What are Ying Li's competitive strengths?

- Chongqing's potential for growth.
- Good working relationship with the local authorities.
- Experienced management team.
- Well established reputation and premium brand equity.
- Unique business model that specialises in urban renewal.
- Strong financial fundamentals with an increasing proportion of stable, recurrent rental income.
- Scalable and dynamic business model with good cost control.

3. Who are some of Ying Li's clientele?

The prime location and premium quality of Ying Li's projects have attracted a number of high quality clientele, including financial institutions and department store chains. Some of our clientele include:

Listed companies
- The Industrial and Commercial Bank of China
- Bank of Communications
- Unicom
- China Pacific Insurance (Group) Co. Ltd.
- Chongqing Department Store Co., Ltd.
- The New World Department Store (China) Co., Ltd.
- Konka Group Co., Ltd.

Domestic companies
- China Everbright Bank
- Yuzhong Tobacco Co., Ltd.
- Guotaijunan Securities
- Bank of Chongqing

4. What are Ying Li's business strategies and future plans?

We plan to adopt the following strategies to drive our future growth and increase shareholder value:

- Acquire prime land in key strategic locations in Chongqing.
- Continue to leverage on Chongqing Yingli's property development capabilities and premium brand equity.
- Focus on up-market commercial property developments.
- Achieve a balance between properties developed for sale and investment properties to achieve and maintain a diversified earnings base balance.
- Maintain a prudent capital structure so as to be well-positioned to acquire future land bank.
- Continue to forge strategic partnerships with other construction companies, consultants and investors.
- Continue to follow international trends in the development of property, property management and general corporate governance.

5. What is Ying Li's target proportion of rental income and income from development properties?

Our strategy is to hold onto prime commercial buildings as investment properties given their scarcity value so as to extract long term rental revenue streams from these assets. Ultimately, we aim to have an equal proportion of rental income and income from development properties.

6. Will Ying Li expand into the development of residential projects or will the group only focus on commercial / retail projects going forward?

Ying Li is open to developing residential projects should the right opportunity present itself. However, our primary focus will still be on commercial/retail projects where Chongqing Yingli can leverage on its property development capabilities and premium brand equity to continue to build and develop premium and high quality developments that will add value to its end users.

7. Does Ying Li intend to enter into property developments in other provinces in the PRC?

Ying Li has mapped out plans for future growth through acquisition of prime land in key strategic locations in Chongqing and expansion of our initial land bank, with a long term view to penetrate into other high growth PRC cities, particularly with geographical focus on Central and Western China. With a continued focus on up-market commercial property developments, Ying Li will leverage on our property development capabilities and premium brand equity to continue to build and develop premium and high quality developments that will add value to our end users.

8. How do you differentiate Ying Li from other property developers?

- Ying Li specialises in inner city renewal in the prime areas of Chongqing, having successfully worked with local authorities to modernise the landscape of the city centre in Chongqing's main districts. We have developed several major commercial buildings, such as Future International, which is the highest building in Jiangbei District, an iconic and landmark structure in Chongqing; and New York New York, which is the most significant landmark building in Chongqing and has been chosen as an iconic building for government's efforts to promote Chongqing city.

- Led by our experienced management team, our focus on inner city renewal has enabled Chongqing Yingli to build up a specialised field of property development, combining premier design and high quality construction in modernising the landscape of prime areas of Chongqing's city centre. Over the years, Chongqing Yingli has earned numerous accolades and awards such as the Leading Brand in Chongqing Construction and Chongqing's Top 50 Real Estate Development Enterprises. With our proven track record, Chongqing Yingli is often invited by the district governments in Chongqing and the authorities in surrounding cities to bid for key development sites, and our recognised efforts and capabilities have enabled us to continue securing land in prime locations and to attract partners and quality customers.

9. Did the massive earthequake in China in 2008 affect Ying Li in any way?

- We do not believe so. Firstly, all our buildings were not affected by the earthquake. In fact, Chongqing Municipal Construction Commission conducted a thorough inspection on a number of skyscrapers, and found no flaw in Ying Li's Future International Building. Subsequently, the Chongqing Administration for Quality and Technology Supervision conducted inspections on all of Ying Li's projects, and confirmed that all our projects were not affected by the earthquake, a strong demonstration of the premium quality of our projects.

- Secondly, we do not see our company's growth opportunities being affected by the earthquake. Bo Xilai, Party secretary of Chongqing and former minister of commerce has revealed the government's aggressive plan to invest RMB100 million (USD 13 billion) over the next five years on the demolition and renovation of all old and dangerous houses in Chongqing's nine urban districts. Being one of the preferred partners of the local authorities, Yingli is well positioned to capitalise on the significant business opportunities derived from the Chongqing government's initiatives in old city redevelopment and the growing commercial sectors in the PRC.

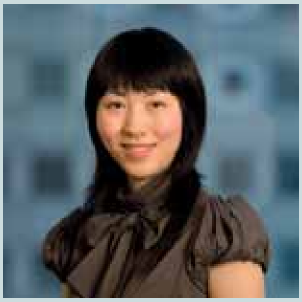
10. What is Ying Li's dividend policy?

We do not have a fixed dividend policy at the moment. Going forward, our Board of Directors will make decisions on dividend payout based on:

- The level of our cash, gearing, return on equity and retained earnings.
- Our expected financial performance.
- Our projected levels of capital expenditure and other investment plans.
- The dividend yield of similar companies and comparable companies globally.
- Restrictions on payment of dividend that may be imposed on us by our financing arrangements.

BOARD OF DIRECTORS






MR FANG MING

Chairman & Chief Executive Officer

Mr Fang Ming is the Group's Chairman and Chief Executive Officer, and a member of our Nominating Committee. Mr Fang is also the President and the General Manager of Chongqing Yingli, and has been responsible for the overall management of Chongqing Yingli's business since its inception in 1994. Mr Fang has more than 15 years of experience in the property development industry, and has been instrumental in introducing international designs and quality standards into the real estate sector in Chongqing, gaining recognition from city and state governments. Under his leadership, the Group has developed a number of award winning buildings and established good long-term relationships with the local government authorities and business partners. Prior to founding Chongqing Yingli, Mr Fang held senior positions in Chongqing Yunji and Chongqing Tiancheng. In addition, he is, amongst others, the president of the Chongqing Yuzhong District Small Business Finance Improvement Association and the vice-president of the Real Estate Chamber of the Chongqing Federation of Industry and Commerce and a member of the Federation of Industry and Commerce. Mr Fang graduated from the Management School of Chongqing Broadcasting University with a Bachelor of Science in 1987.

MR XIE XIN

Executive Director & Senior Vice President

Mr Xie Xin is the Group Senior Vice President, Corporate Finance and Investments as well as the Senior Vice President, Corporate Finance and Investments, of Chongqing Yingli and Advisor to the Chairman of Chongqing Yingli. He is involved in the capital investments and corporate finance advisory activities of Chongqing Yingli. Prior to joining Chongqing Yingli, he was a Business Director with Guotaijunan Securities Co., Ltd. from 2006 to 2007. He has worked as an assistant manager of the assurance and advisory team in KPMG from 2004 to 2006 and in Ernst & Young from 2000 to 2003. Mr Xie is a certified public accountant with the Chinese Institute of Certified Public Accountants. He graduated from Wuhan University with a Bachelor of Arts in Auditing in 2000.

MS XU LI

Executive Director & Senior Vice President

Ms Xu Li is the Group Senior Vice President of Finance and Accounting, and also the Senior Vice President, Finance and Accounting, of Chongqing Yingli and Advisor to the President of Chongqing Yingli. She is responsible for the internal financial affairs and accounting functions of the Group. Prior to joining Chongqing Yingli, Ms Xu was the assistant to the Chairman of Tongren Health Industry Group between 2004 and 2006. Prior to that, she was an assistant manager at KPMG in 2004 and a senior auditor at Ernst & Young from 2000 to 2003. Ms Xu is a certified public accountant with the Chinese Institute of Certified Public Accountants. She graduated from China Renmin University with a Bachelor of Accounting in 2000, and obtained a Masters in Accounting from the University of Illinois at Urbana-Champaign in 2008.

MR HE ZHAO JU

Non-Executive Director

Mr He Zhao Ju @ Danny Ho is a Non-Executive Director of the Group and has been a director of the Group's subsidiary — the Fortune Court Group, since March 2008. Mr He is a partner and Managing Director of CMIA. Prior to joining CMIA, he was the Vice-President of GIC Special Investments from 2000 to 2006, and was working in corporate finance and advisory roles for four years before that. Mr He started his career as an Investment Analyst at Brierley Investments. Mr He is a Chartered Financial Analyst and a member of the Association for Investment Management and Research. He graduated from Otago University, New Zealand with a Bachelor of Commerce (double majors in Finance and Economics) in 1994.




MR LEE CHONG MIN

Non-Executive Director

Mr Lee Chong Min is a Non-Executive Director of the Group and has been a director of the Group's subsidiary — the Fortune Court Group, since March 2008. Mr Lee is the Founder and Managing Partner of CMIA Capital Partners. CMIA Capital Partners is a leading private equity firm focused on growth capital investment opportunities in China. Mr Lee graduated with a Bachelor of Science degree from the National University of Singapore in 1991.

MR CHRISTOPHER CHONG MENG TAK

Co-Lead Independent Director

Mr Christopher Chong Meng Tak is our Co-Lead Independent Director and Chairman of our Audit Committee. Chris was appointed as an Independent Director of Showy International Ltd in 2007. Chris was an award winning analyst who brings to the Group his significant experience of corporate strategy, capital markets, securities law and corporate governance. Chris is a partner of ACH Investments Pte Ltd, a corporate advisory firm, since 1998. Prior to this, and for some 12 years, he was with the HongkongBank Group. The last two positions held by Chris at the HongkongBank Group were as CEO of HSBC Securities (Singapore) and Executive Director of Kay Hian James Capel (now known as UOB Kay Hian). Prior to joining the HongkongBank Group Chris was with Ernst & Young, London. Chris is a director of several public companies and a fund, listed on the Stock Exchanges of Australia, Singapore and Luxembourg. Chris is a Member of the Institute of Chartered Accountants of Scotland, a Fellow of both the Hong Kong Institute of Certified Public Accountants and the Australian Institute of Certified Public Accountants and a Fellow of the Singapore Institute of Directors and Australian Institute of Company Directors. In addition, Chris is a Senior Stockbroker of the Securities & Derivates Industry Association. Chris has a BSc. Econ (1st Hon) from the University College of Wales, a MBA from the London Business School and was on the Dean's Honours List during a special secondment to the Chicago Business School.

MR LUI SENG FATT

Co-Lead Independent Director

Mr Lui Seng Fatt is the Co-Lead Independent Director of the Group and also the Co-Chairman of the Nominating Committee. Mr Lui was also an Independent Director of Showy International Ltd. He has over 25 years of experience in real estate, capital markets and related businesses. Mr Lui last held the appointment of Regional Director and Head of Investments at Jones Lang LaSalle. He was the President of the GEREG Group of companies with major strategic businesses in Infrastructure, Real Estate, Banking and Financial Services in the Asia Pacific region and America. Mr Lui was also a Senior General Manager of Keppel Land International Limited, and was one of the key founding executives of Pidemco Land Limited, now known as CapitaLand Limited. Mr Lui is currently the Honorary Advisor to the Real Estate Developers' Association of Singapore, on Real Estate Consultancy and Valuation. He graduated from the University of Singapore with a Bachelors degree in Architecture in 1979 under a Government of Singapore Merit Scholarship, and holds a Masters in Business Administration with a major in Finance from the National University of Singapore.

MR XIAO ZU XIU

Independent Director

Mr Xiao Zu Xiu is an Independent Director of the Group and serves as the Chairman of our Remuneration Committee and Co-Chairmen of the Nominating Committee. Mr Xiao has been the Chairman of the Chinese Nation Cultural Promotion Association since 1995 and Chairman of the Association of Researching the System of the People's Congress since 2003. He was also Chairman of the Chongqing Veteran's Sports Association from 1997 to 2003. Mr Xiao was elected as a representative to the Chongqing Municipal People's Congress and chosen as the Vice Chairman of the National People's Congress Standing Committee in 1997. Prior to that, he was elected as Executive Deputy Mayor of Chongqing in 1993, mainly overseeing the financial, taxation, auditing, educational and monitoring aspects. Mr Xiao was with the Agricultural Economy Department of Southwest Agricultural University for 23 years before he was appointed as director of the Committee for Peasants and Workers in 1985, a post he held till 1988. Mr Xiao studied Agricultural Economics in the Southwest College of Agriculture and the Beijing Agricultural University and graduated in 1960 and 1963 respectively.

+ KEY MANAGEMENT +

MR LIM BOON PING

Chief Financial Officer

Mr Lim Boon Ping was appointed as our Chief Financial Officer in September 2008. He was also appointed as our company secretary in November 2008. Mr Lim was the Chief Financial Officer at Essilor Asia Pacific Pte Ltd, in charge of its financial affairs and annual budget from 1997 to 2008. From 1995 to 1997, he was a finance and administrative manager at Tai Thong Hung Industrial Chemicals Pte Ltd. He was also a finance manager at Flecon Multi System Pte Ltd from April 1995 to June 1995. Mr Lim was a senior internal auditor at Econ International Ltd from 1994 to 1995. Prior to this he was an accountant at Mayura Edible Oils Pte Ltd from 1993 to 1994. From 1991 to 1993, he was working as a senior auditor at the accounting firm of Teo Foong and Wong. From July 1991 to November 1991 he also worked as an accountant at Conpex Development Pte Ltd. He worked at Boon Suan Lee & Co as an assistant auditor from 1989 to 1991. From 1987 to 1989, Mr Lim worked as an assistant auditor at P G Wee & Partners. Mr Lim is a member of the Singapore Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He qualified to be a member of the Association of Chartered Certified Accountants in 1992.

MR CHEN RONG HUA

Chief Architect

Mr Chen Rong Hua is Ying Li's Chief Architect and oversees the architectural aspects of the Group's property developments. Prior to his appointment as Ying Li's Chief Architect in 2008, Mr Chen was the vice president of the Chongqing Branch of China Building Technique Group Co., Ltd for three years, and the Chief Architect at the Chongqing Design Institute from 1985 to 2005. From 1978 to 1985, he was an engineer at the Sichuan Oil and Gas Construction Company of Ministry of Petroleum Department. From 1968 to 1978, Mr Chen was a technician at No. 6 Metallurgy Construction Company of Ministry of Metallurgy. Mr Chen graduated from the Xi'an Metallurgy and Architecture College (Xi'an University of Architecture and Technology) in 1968.

MR ZHENG SHENG QING

Chief Engineer

Mr Zheng Sheng Qing is Ying Li's Chief Engineer and is responsible for the engineering aspects of the Group's property developments. Before his appointment as Ying Li's Chief Engineer in 2008, he was the President of Chongqing Branch of China Building Technique Group Co., Ltd since 2004. Mr Zheng was with the Chongqing Design Institute for 32 years, where he rose through the ranks from technician to Vice Chief Engineer of the Institute. Mr Zheng graduated from the Xi'an Metallurgy and Architecture College (Xi'an University of Architecture and Technology) in 1968.

MR GUO HONG QING

Chief Administrative Officer

Mr Guo Hong Qing was appointed as the Group's Chief Administrative Officer in 2008, and has been the Deputy General Manager of Chongqing Yingli since 2002. Prior to joining Chongqing Yingli, Mr Guo held the post of Deputy General Manager at Chongqing Baijiang Real Estate Co., Ltd for four years, and was an office manager at Chongqing Tiancheng for five years. He was previously also a manager at Chongqing Gas Compressor Co., Ltd from 1989 to 1993. Mr Guo graduated from the Chongqing Normal University with a degree in politics in 1987.

FINANCIAL CONTENTS

Corporate Governance Statement	18
Report of the Directors	26
Statement by Directors	29
Independent Auditors' Report	30
Balance Sheets	31
Consolidated Income Statement	32
Consolidated Statement of Changes in Equity	33
Consolidated Cash Flow Statement	34
Notes to the Financial Statements	35
Statistic of Shareholdings	73
Notice of Annual General Meeting	74

CORPORATE GOVERNANCE

Following the completion of the reverse takeover (RTO) by Fortune Court Group on 26 September 2008, a new Board of Directors was reconstituted to provide leadership and direction to the Company. The Board and its Management are committed to maintain a high standard of corporate governance and working towards achieving full compliance with the Code of Corporate Governance 2005 so as to ensure greater corporate transparency and protection of shareholders' interest.

BOARD MATTERS

Principle 1: Board's Conduct of Its Affairs

The Board is responsible for the overall corporate governance of the Group including setting its strategic direction, establishing goals for Management and monitoring the achievement of these goals. The Board's decision or approval is specifically required for matters involving corporate strategies and management plans; mergers and acquisitions; major funding and investment proposals; material acquisitions and disposals of assets; nominations to the Board; issuance of shares and dividend proposals.

The Board has delegated certain functions to various Board Committees, namely, the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"). These committees function within clearly defined terms of reference which are reviewed on a regular basis.

During the last financial year, the Board held three meetings and since the completion of the RTO, the Board convened two meetings in the last quarter of 2008. Full attendance was recorded at each and every meeting. The Company Secretary was also present at such meetings to record the proceedings. In between the meetings, important matters concerning the Group were put to the Board for its decision by circulating resolution-in-writing for the directors' approval.

Newly appointed directors will be briefed by the Management on the Group's business activities and governance practices. The Management also works closely with professionals to provide the Board with regular updates on key changes to relevant laws, regulations and accounting standards.

The number of Board, NC, AC and RC meetings held in FY2008 and the attendance of each Board member at those meetings were as follows:

	Board of Directors		**Nominating Committee**		**Audit Committee**		**Remuneration Committee**	
	Number of meetings							
	Held	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Lim Hong Ching	3	3	1	1	2*	2*	1*	1*
Yeo Sock Kon	3	3	1*	1*	2*	2*	1*	1*
Bek Yeok Siew	3	3	1*	1*	2	2	1	1
Chew Thiam Keng	3	3	1	1	2	2	1	1
Ong Chong Beng	3	3	1	1	2	2	1	1
Christopher Chong Meng Tak	5	5	1	1	1	1	1	1
Lui Seng Fatt	5	5	1	1	1	1	1	1
Fang Ming	2	2	1	1	1*	1*	1*	1*
Xie Xin	2	2	-	-	1*	1*	-	-
Xu Li	2	2	-	-	1*	1*	-	-
Lee Chong Ming	2	2	1*	1*	1*	1*	1*	1*
He Zhao Ju @ Danny Ho	2	2	-	-	1*	1*	-	-
Xiao Zu Xiu	2	2	1	1	1	1	1	1

* ATTENDED THE MEETINGS AS INVITEE

The Company arranged its legal advisors to brief all newly appointed Directors on their duties and obligations.

CORPORATE GOVERNANCE

Principle 2: Board Composition and Guidance

The members of the Board and respective committees are as follows:

The Board currently comprises eight members, three of whom are independent directors. The NC reviews the composition of the Board on an annual basis and applies the Code's definition of what qualifies as an independent director in its review. Key information of the Board members is given in the Directors' Profile section of this Annual Report.

At the date of this report, members of the Board are:

From Jan 2008 to 26 September 2008:

	Board	**Nominating Committee**	**Audit Committee**	**Remuneration Committee**
Non-independent Directors				
Lim Hong Ching (executive)	Chairman	Member		
Yeo Sock Kon (executive)	Member			
Bek Yeok Siew (non-executive)	Member		Member	Member
Independent Directors				
Chew Thiam Keng	Member	Member	Member	Chairman
Ong Chong Beng	Member	Chairman	Chairman	Member
Christopher Chong Meng Tak	Member			
Lui Seng Fatt	Member			

With effect from 26 September 2008, the various Board Committees have been re-constituted as follows:

	Board	**Nominating Committee**	**Audit Committee**	**Remuneration Committee**
Non-independent Directors				
Fang Ming (executive)	Chairman	Member		
Xie Xin (executive)	Member			
Xu Li (non-executive)	Member			
Independent Directors				
Lee Chong Ming (non-executive)	Member			
He Zhao Ju @ Danny Ho (non-executive)	Member			
Christopher Chong Meng Tak (independent)	Member	Member	Chairman	Member
Lui Seng Fatt (independent)	Member	Chairman	Member	Member
Xiao Zu Xiu (independent)	Member	Chairman	Member	Chairman

The Board is of the opinion that its current composition of eight directors is appropriate for effective decision making taking into consideration the scope and nature of the Group's business operations.

CORPORATE GOVERNANCE

Principle 3: Chairman and Chief Executive Officer

Mr Fang Ming is both the Chairman of the Board and the Chief Executive Officer (CEO) of the Company. The Board is of the view that currently, it is not necessary to segregate the roles of the Chairman and CEO taking into consideration the size, scope and nature of the Group's operations, and the strong element of independence of the Board.

As the CEO, Mr Fang Ming is responsible for the overall management, sales and marketing functions, strategic decisions and development of the Group.

Mr Fang Ming's role as the Chairman pertaining to Board proceedings include:

- Scheduling of meetings that enable the Board to perform its duties responsibly while not interfering with the flow of the Company's operations;

- Exercising control over quality, quantity and timeliness of the flow of information between Management and the Board; and

- Assisting in ensuring compliance with the Company's guidelines on corporate governance.

Although the roles and responsibilities of both the Chairman and the CEO are vested in Mr Fang Ming, the Board believes there are adequate safeguards in place against an uneven concentration of power and authority in one individual, as major decisions are made in consultation with the Board, his performance and appointment to the Board is reviewed periodically by the NC and his remuneration package is reviewed periodically by the RC.

As recommended by the Code, the Board has appointed Mr Christopher Chong Meng Tak and Mr Lui Seng Fatt as the lead and Co-lead independent director who should be available to shareholders where they have concerns which contact through normal channels of the Chairman and CEO or the Management has failed to resolve or for which such contact is inappropriate.

Principle 4: Board Membership

The composition of the Nominating Committee (NC) was reconstituted on 26 September 2008 upon the completion of the RTO. The NC comprises the following four members, a majority of whom, including the Chairman, are independent Directors:

Fang Ming	(Executive Director, Chairman)
Xiao Zu Xiu	(Independent Director)
Christopher Chong Meng Tak	(Independent Director)
Lui Seng Fatt	(Independent Director)

Duties and responsibilities of the NC include:

- Re-nomination of Directors having regard to the Director's contribution and performance;

- Determining annually whether or not a Director is independent; and

- Deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly when the Director has multiple board representations.

In accordance with the Company's Articles of Association, all Directors are required to submit themselves for re-nomination and re-election at regular intervals and at least once every three years. A newly appointed director must also subject himself for retirement and re-election at the Annual General Meeting ("AGM") immediately following his appointment.

CORPORATE GOVERNANCE

Key information of each Director is given in the Directors' Profile section of this Annual Report.

Principle 5: Board Performance

The NC will decide on how the Board's performance is to be evaluated and propose objective performance criteria, subject to the approval of the Board, which address how the Board has enhanced long-term shareholders' value. The Board, through the NC, will use its best effort to ensure that directors appointed to the Board, whether individually or collectively, possess the experience, knowledge and expertise critical to the Group's business. It will also ensure that each director, with his special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made. Each member of the NC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his performance or re-nomination as Director of the Company.

During the last financial year, the NC has met once and since the completion of the RTO, the NC convened one meeting in the last quarter of 2008 with fill attendance recorded at each and every meeting to recommend Directors to the Board for re-election and to review the independence of the Independent Directors and the terms of reference of the NC revised in accordance with the Code.

Principle 6: Access to Information

In order to ensure that the Board is able to fulfill its responsibilities, the Company will provide complete, adequate and timely information to the Board on matters that require its decision as well as circulate reports relating to operational and financial performance of the Group prior to Board meetings.

All Directors have separate and independent access to the Company's senior management and the Company Secretary at all times in carrying out their duties. Under the direction of the Executive Chairman, the Company Secretary's responsibilities include ensuring good information flows within the Board and its committees and between senior management and non-executive Directors, as well as assisting with professional development as required. The Company Secretary attends all Board meetings, and is also responsible for ensuring that board procedures are followed and that applicable rules and regulations are complied with.

The Directors, either individually or as a group, in the furtherance of their duties, take independent professional advice, if necessary, at the Company's expense.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

The Remuneration Committee (RC) has also been reconstituted and it comprises entirely non-executive Directors and are independent:

Xiao Zu Xiu	(Independent Director)
Christopher Chong Meng Tak	(Independent Director)
Lui Seng Fatt	(Independent Director)

The RC is responsible for recommending to the Board a framework of remuneration for the Directors and key executives, and to determine specific remuneration packages for the Executive Directors. The RC's recommendations are submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind are covered by the RC.

Each member of the RC shall abstain from voting on any resolutions and making recommendations and/or participating in any deliberations of the RC in respect of his remuneration package.

CORPORATE GOVERNANCE

During the last financial year, the RC has met once and since the completion of the RTO, the RC convened one meeting in the last quarter of 2008 with fill attendance recorded at each and every meeting to recommend to the Board, the directors' fees and key executives' bonuses payable for FY2007, and to review the terms of reference of the RC revised in accordance with the Code.

Principle 8: Level and Mix of Remuneration

In setting remuneration packages, the Company takes into account the pay and employment conditions within the industry and in comparable companies as well as the performance of the Group and individual Executive Director.
No director or member of the RC has been involved in deciding his own remuneration package. The total remuneration mix for the CEO, executive directors, executive officers and key employees of the Group comprises three key components, namely, basic salary, annual performance incentive and other benefits including benefits-in-kind.

None of the Non-Executive and Independent Directors has any service agreement with the Company. They are paid directors' fees, which are determined by the Board appropriate to their level of contributions taking into account the effort and time spent including their responsibilities. The fees are subject to approval by shareholders at each AGM.

The Company does not have any employee share schemes.

Principle 9: Disclosure of Remuneration

Directors' and Executive Officers' Remuneration

The estimated amount of compensation to be paid to the Directors and the Executive Officers for services rendered to the Enlarged Group in remuneration bands for the whole of FY2008 is set out as follows:

DIRECTORS	**FY2008**
Fang Ming	Band I
Xie Xin	Band I
Xu Li	Band I
Lee Chong Min	Band I
He Zhao Ju @ Danny Ho	Band I
Christopher Chong Meng Tak	Band I
Lui Seng Fatt	Band I
Xiao Zu Xiu	Band I
EXECUTIVE OFFICERS	
Lim Boon Ping	Band I
Chen Rong Hua	Band I
Zheng Sheng Qing	Band I
Guo Hong Qing	Band I

Notes:
BAND I : COMPENSATION OF BETWEEN S$1 TO S$250,000 PER ANNUM.
BAND II : COMPENSATION OF BETWEEN S$250,001 TO S$500,000 PER ANNUM.

None of the employees who are immediate family members of a Director or the Chief Executive Officer received more than $150,000 in remuneration during FY2008.

CORPORATE GOVERNANCE

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

In presenting the annual financial statements and announcements of half yearly financial results to shareholders, it is the aim of the Board to provide shareholders with a balanced and understandable assessment of the Group's performance, position and prospects. The Management currently provides the AC and the Board with detailed management accounts of the Group's performance, position and prospects on a regular basis.

Principle 11: Audit Committee
Principle 12: Internal Controls
Principle 13: Internal Audit

Ying Li's internal policy requires the Audit Committee (AC) to have at least 3 members, all of whom are non-executive and the majority must be independent. The composition of the AC was reconstituted on 26 September 2008 upon the completion of RTO. The AC consists of 3 directors, Mr Christopher Chong, the Chairman of the AC, is the Lead Independent Director. The other members of the AC are Co-Lead Independent Director, Mr Lui Seng Fatt and Independent Director, Mr Xiao Zu Xiu.

The AC has written terms of reference that describe the responsibilities of its members. The AC assists the Board in discharging their responsibilities to safeguard the shareholders' investment and the Company's assets, maintain adequate accounting records, develop and maintain effective systems of internal control, with the overall objective of ensuring that the Management creates and maintains an effective control environment in the Company. The AC also provides a channel of communication between the Board, the Management and the external auditors on matters relating to audit.

The Board is of the view that the AC members are appropriately qualified to discharge their responsibilities.

The AC has scheduled a minimum of two meetings in each financial year, inter alia, for the following purposes:

- Reviewing the audit plans and scope of audit examination of the external auditors, and evaluating their cost effectiveness, independence and objectivity, and the nature and extent of non-audit services provided by them;
- Reviewing the half yearly and annual financial statements before submission to the Board for approval;
- Reviewing the assistance given by Management to the external auditors to ensure that no restrictions are being placed on the work of the external auditors;
- Appraising and reporting to the Board on the audits undertaken by the external auditors, adequacy of disclosure of information, and the appropriateness and quality of the system of internal controls;
- Making recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approving their remuneration and terms of engagement;
- Reviewing interested person transactions, as defined in the SGX-ST Listing Manual; and
- Considering other matters as requested by the Board.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management, full discretion to invite any executive director or officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

CORPORATE GOVERNANCE

During the last financial year, the AC held two meetings and since the completion of the RTO in September 2008, the AC met one with full attendance at each and every meeting.

The AC assists the Board in ensuring that the Management maintains a sound internal control framework, but recognizes that no cost effective internal control system will preclude all errors and irregularities as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Company recognizes the importance of establishing an internal audit function that is independent of the activities it audits, and currently, the AC enquires and relies on reports from the external auditors on any material non-compliance and internal control weaknesses. The AC has reviewed with the external auditors their findings of the existence and adequacy of material accounting controls and procedures as part of its audit for the financial year under review, and the Board is satisfied that there are adequate internal controls to meet the needs of the Group in its current business environment.

At the February 2009 AC meeting, the Board has recommended to out source the internal audit function. The internal audit function charter is to review key business processes and internal control measures.

The Group has established a whistle-blowing procedure, endorsed by the AC, where employees may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters to any member of the AC, and ensuring that arrangements are in place for the independent investigation of such matters and for appropriate follow up action.

During the current financial year, there was no non-audit fees paid to the auditors of the Company and the AC is satisfied with the independence of the external auditors.

COMMUNICATION WITH SHAREHOLDERS

Principle 14: Communication with Shareholders
Principle 15: Shareholder Participation

The Company strives to engage in regular, effective and fair communication with shareholders, and be as descriptive, detailed and forthcoming as possible in disclosing information.

The Company does not practice selective disclosure. Its financial results, major developments and other price sensitive information are released through SGXNet on a timely basis for dissemination to shareholders and the public in accordance with the requirements of the SGX-ST. All shareholders of the Company will receive a copy of the Annual Report and Notice of AGM. The Notice will also be advertised in the newspapers and made available on the SGX-ST's website and SGXNet.

At AGMs, shareholders are given the opportunity to express their views and ask the directors or Management questions regarding the Company. The Chairmen of the NC, RC and AC are available at the AGMs to address shareholders' questions relating to the work of these committees. The external auditors are also present to address shareholders' queries relating to the conduct of audit and the preparation and content of the auditors' report.

The Company's Articles of Association allow a member of the Company to appoint not more than two proxies to attend and vote instead of the member.

DEALINGS IN SECURITIES

The Company has adopted its own Internal Code of Best Practices on dealings in the Company's securities.

CORPORATE GOVERNANCE

The Company prohibits its officers from dealing in the Company's shares when they are in possession of unpublished price-sensitive information; on short-term considerations; and during the period commencing one month before the announcement of the Company's financial results and ending on the date of the particular announcement.

INTERESTED PERSON TRANSACTIONS

Interest person is a director, executive officer or controlling shareholders (and his associates) of the Company, its subsidiaries and associated companies. The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that transactions are conducted on an arm's length basis and are not prejudicial to the interest of the shareholders.

The director concerned will not participate and is refraining from the approval of the transactions.

Disclosure of interested person transactions is set up on page 66 of this Annual Report.

REPORT OF THE DIRECTORS

The directors submit this annual report to the members together with the audited consolidated financial statements of the Group and balance sheet of the Company for the financial year ended 31 December 2008.

DIRECTORS

The directors in office at the date of this report are:

Fang Ming	(appointed on 26 September 2008)
Xie Xin	(appointed on 26 September 2008)
Xu Li	(appointed on 26 September 2008)
Lee Chong Min	(appointed on 26 September 2008)
He Zhao Ju @ Danny Ho	(appointed on 26 September 2008)
Xiao Zu Xiu	(appointed on 26 September 2008)
Christopher Chong Meng Tak	
Lui Seng Fatt	
Lim Hong Ching	(Resigned on 27 September 2008)
Yeo Sock Kon	(Resigned on 27 September 2008)
Bek Yeok Siew	(Resigned on 27 September 2008)
Chew Thiam Keng	(Resigned on 27 September 2008)
Ong Chong Beng	(Resigned on 27 September 2008)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement the object of which was to enable the directors to acquire benefits through the acquisition of shares in or debentures of the Company or of any other corporate body other than as disclosed in this report.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act, Cap. 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct Interest		Deemed Interest	
Name of director	At the beginning of financial year or date of appointment	At the end of financial year	At the beginning of financial year or date of appointment	At the end of financial year
Ordinary shares of the Company				
Fang Ming	-	-	941,739,014 (2)	941,739,014 (2)
Xie Xin (1)	-	-	941,739,014	941,739,014
Xu Li (1)	-	-	941,739,014 (2)	941,739,014 (2)
Ordinary shares of USD1 each of the ultimate holding company (Newest Luck Holdings Limited)				
Fang Ming	8,000	8,000	-	-
Xie Xin (1)	-	-	2,000	2,000
Xu Li (1)	2,000	2,000	-	-

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2009.

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

Notes:

(1) Mr Xie Xin is the husband of Miss Xu Li. Mr Xie Xin is deemed interested in the shares of the Company that Miss Xu Li has an interest in.

(2) Mr Fang Ming and Miss Xu Li are deemed interested in the shares of the Company through their shareholdings in Newest Luck.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

DIRECTORS' CONTRACTUAL BENEFITS

Except for salaries, bonuses and fees and those benefits that are disclosed in this report and in Note 17 to the financial statement, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

SHARE OPTIONS

During the financial year, there were:

(i) No options granted by the Company to any person to take up unissued shares in the Company.
(ii) No shares issued by the virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

AUDIT COMMITTEE

The audit committee comprises the following members:

Christopher Chong Meng Tak (Chairman)
Xiao Zu Xiu
Lui Seng Fatt

The audit committee performs the functions set out in Section 201B(5) of the Companies Act, Cap. 50 ("the Act"), the SGX Listing Manual and the Code of Corporate Governance. In performing its functions, the committee reviewed the following:

- overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;
- quarterly financial statements, the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2008 as well as the auditors' report thereon; and
- interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

REPORT OF THE DIRECTORS

AUDIT COMMITTEE (CONT'D)

The committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, Foo Kon Tan Grant Thornton, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

AUDITORS

Foo Kon Tan Grant Thornton, Certified Public Accountants, have expressed their willingness to accept reappointment as Auditors.

On behalf of the board of directors:

Fang Ming	Xie Xin
Director	Director

Date: 16 March 2009

STATEMENT BY DIRECTORS

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act") and International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In the opinion of the directors, the accompanying balance sheets of the Company and the Group, consolidated income statement, consolidated statement of changes in equity and the consolidated cash flow statement, together with the notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2008 and of the results of the business, changes in equity and cash flows of the Group for the financial year ended on that date and at that date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors:

Fang Ming	Xie Xin
Director	Director

Date: 16 March 2009

INDEPENDENT AUDITORS' REPORT

to the members of Ying Li International Real Estate Limited

We have audited the accompanying financial statements of Ying Li International Real Estate Limited ("the Company") and its subsidiaries ("the Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2008, the consolidated income statement, the consolidated statement of changes in equity and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and International Financial Reporting Standards ("IFRS"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion:

(a) the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and IFRS so as to give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2008 and the results, changes in equity and cash flows of the Company for the year ended on that date; and

(b) the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The financial statements of the Company for the financial year ended 31 December 2007 were audited by another firm of auditors whose report dated 17 March 2008 express an unqualified opinion on those financial statements.

Foo Kon Tan Grant Thornton
Public Accountants and
Certified Public Accountants
Singapore

Date: 16 March 2009

BALANCE SHEETS

		Group		Company	
		2008	2007 (Unaudited pro-forma)	2008	2007
	Note	RMB	RMB	RMB	RMB
ASSETS					
Non-current assets					
Property, plant and equipment	3	3,749,353	3,291,142	16,196	4,838,825
Investment properties	4	1,279,949,000	1,330,407,000	-	-
Investment in subsidiaries	20	-	-	2,768,750,572	13,345,869
		1,283,698,353	1,333,698,142	2,768,766,768	18,184,694
Current assets					
Inventories		-	-	-	6,758,242
Land for development	5	572,735,709	203,706,310	-	-
Development properties	6	105,550,069	31,599,710	-	-
Trade and other receivables	7	24,151,146	107,156,505	2,797,549	11,284,273
Cash at bank - restricted	8	18,159,921	12,091,948	-	-
Cash and cash equivalents	8	81,981,513	21,309,428	25,860,137	76,388,037
		802,578,358	375,863,901	28,657,686	94,430,552
TOTAL ASSETS		**2,086,276,711**	**1,709,562,043**	**2,797,424,454**	**112,615,246**
EQUITY AND LIABILITIES					
Non-current liabilities					
Deferred taxation	9	190,676,247	203,290,746	-	-
Borrowings	10	269,250,000	213,140,000	-	-
		459,926,247	416,430,746	-	-
Current liabilities					
Trade and other payables	11	208,131,699	178,918,305	155,314,283	13,615,826
Amount owing to a director	12	11,904,937	12,640,642	-	-
Provision for taxation		68,618,523	54,648,495	-	962,078
Borrowings	10	28,170,000	256,340,000	-	37,914
		316,825,159	502,547,442	155,314,283	14,615,818
Capital and reserves					
Capital contribution	13	2,637,682,042	10,738	2,637,682,042	78,761,917
Reserves		(1,977,589,655)	463,058	427,773	-
Retained profits		626,179,297	790,110,059	4,000,356	19,237,511
		1,286,271,684	790,583,855	2,642,110,171	97,999,428
Minority interests		23,253,621	-	-	-
TOTAL EQUITY		**1,309,525,305**	**790,583,855**	**2,642,110,171**	**97,999,428**
TOTAL EQUITY AND LIABILITIES		**2,086,276,711**	**1,709,562,043**	**2,797,424,454**	**112,615,246**

CONSOLIDATED INCOME STATEMENT

	Note	1 Jan to 31 Dec 2008 RMB	13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB	1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB
Revenue	14	86,724,359	90,633,240	245,929,899
Cost of sales		(60,680,069)	(47,275,598)	(167,879,166)
Gross profit		26,044,290	43,357,642	78,050,733
Other income	15	539,884,958	13,133	13,133
Selling expenses		(7,233,611)	(4,691,930)	(6,311,531)
Administrative expenses		(22,732,097)	(6,438,284)	(8,640,000)
Fair value (loss)/gain on investment properties	4	(50,458,000)	834,716,036	834,716,036
Finance costs		(4,706,849)	(295,662)	(328,452)
Other operating expenses	16	(125,396,822)	-	-
Profit before tax	17	355,401,869	866,660,935	897,499,919
Taxation	9	165,361	(207,229,351)	(217,406,215)
Profit for the year		355,567,230	659,431,584	680,093,704
Attributable to:				
Equity holders of the Company		357,438,609	659,431,584	680,093,704
Minority interests		(1,871,379)	-	-
		355,567,230	659,431,584	680,093,704
Earnings per share (RMB)				
Basic	18	0.63	n.m.	n.m.
Diluted	18	0.63	n.m.	n.m.

Note:

The acquisition of Fortune Court Group on 26 September 2008 has been accounted for as a reverse acquisition. The 2008 Group's consolidated income statement is presented as a continuation of Fortune Court Group's financial results and operations. On 12 March 2008, Fortune Court acquired Chongqing Yingli Real Estate Development Co., Ltd (Chongqing Yingli). The inclusion of the 9 months pro-forma income statement from 13 March to 31 December 2007 is to show the corresponding period results.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group	Capital contribution RMB	Reverse acquisition reserve RMB	Other reserve* RMB	Statutory common reserve RMB	Exchange fluctuation reserve RMB	Retained profits RMB	Total attributable to equity holders of the Company RMB	Minority interests RMB	Total RMB
2007 (Unaudited pro-forma)									
Opening balance at 1 January 2007									
- Fortune Court Holdings Ltd	10,738	-	-	-	(1,374)	110,480,787	110,490,151	-	110,490,151
Transfer to common reserve	-	-	-	464,432	-	(464,432)	-	-	-
Net profit for the year	-	-	-	-	-	680,093,704	680,093,704	-	680,093,704
Balance at 31 December 2007	10,738	-	-	464,432	(1,374)	790,110,059	790,583,855	-	790,583,855
2008									
Opening balance at 1 January 2008									
- Fortune Court Group	10,738	-	-	464,432	(1,374)	790,110,059	790,583,855	-	790,583,855
Pre-acquisition adjustments of Chongqing Yingli	-	-	-	(312,702)	-	(536,028,062)	(536,340,764)	-	(536,340,764)
	10,738	-	-	151,730	(1,374)	254,081,997	254,243,091	-	254,243,091
- Ying Li International Real Estate Ltd	78,751,179	-	-	-	-	-	78,751,179	-	78,751,179
	78,761,917	-	-	151,730	(1,374)	254,081,997	332,994,270	-	332,994,270
Issue of shares pursuant to the acquisition	2,588,169,848	-	-	-	-	-	2,588,169,848	-	2,588,169,848
Reverse takeover expenses	(29,249,723)	-	-	-	-	-	(29,249,723)	-	(29,249,723)
Adjustments due to reverse acquisition	-	(2,423,874,241)	-	-	-	-	(2,423,874,241)	-	(2,423,874,241)
Proceeds from issuance of shares	-	-	430,162,511	-	-	-	430,162,511	-	430,162,511
Transfer to common reserve	-	-	-	6,080,662	-	(6,080,662)	-	-	-
Minority interest arising from acquisition of subsidiaries	-	-	-	-	-	-	-	45,864,353	45,864,353
Adjustment to minority interest [(1)]	-	-	-	-	-	20,739,353	20,739,353	(20,739,353)	-
Translation differences arises from conversion of assets and liabilities in a subsidiary denominated in foreign currency	-	-	-	-	9,891,057	-	9,891,057	-	9,891,057
Net profit for the year	-	-	-	-	-	357,438,609	357,438,609	(1,871,379)	355,567,230
Closing balance at 31 December 2008	**2,637,682,042**	**(2,423,874,241)**	**430,162,511**	**6,232,392**	**9,889,683**	**626,179,297**	**1,286,271,684**	**23,253,621**	**1,309,525,305**

*Other reserve arises due to the difference in the par value of shares of Fortune Court Holdings Ltd and consideration paid.

Notes:

(1) The minority shareholders of Chongqing Yingli has agreed that following the Acquisition (Note 1), they will waive all its rights to receive dividends and/or other distributions (whether in the form of cash or as distributions in specie save for bonus shares) declared by the Company out of its retained earnings or profits in any particular financial year to its shareholders. Therefore no minority interest is recognised at the group level.

CONSOLIDATED CASH FLOW STATEMENT

	Note	1 Jan to 31 Dec 2008 RMB	13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB	1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB
OPERATING ACTIVITIES				
Profit before taxation		355,401,869	866,660,935	897,499,919
Adjustments for:				
Depreciation of property, plant and equipment	3	918,654	397,173	733,256
Fair value loss/(gain) on investment properties	4	50,458,000	(834,716,036)	(834,716,036)
Negative goodwill	15,20	(485,395,842)	-	-
Goodwill written off	16	109,372,659	-	-
Interest expense		4,706,849	295,662	328,452
Interest income	15	(545,982)	(13,133)	(13,133)
Exchange difference on translation		9,891,017	-	-
		44,807,224	32,624,601	63,832,458
Operating profit before working capital changes				
(Increase) / decrease in development properties		(64,209,104)	79,885,560	(94,095,816)
(Increase)/decrease in land for development		(161,214,143)	(78,486,157)	166,526,321
Decrease in trade and other receivables		147,819,265	48,867,286	18,467,353
Decrease in trade and other payables		(18,209,948)	(139,187,186)	(177,849,718)
Cash used in operations		(51,006,706)	(56,295,896)	(23,119,402)
Interest paid		(27,556,562)	(25,212,608)	(32,334,272)
Interest received		545,982	13,133	13,133
Income tax paid		(2,604,432)	(952,841)	(2,897,979)
Net cash used in operating activities		**(80,621,718)**	**(82,448,212)**	**(58,338,520)**
INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	3	(854,729)	(2,149,776)	(2,166,276)
Increase in investment properties		-	(7,032,383)	(7,032,383)
Net proceed from disposal of assets and liabilities	19	12,662,959	-	-
Acquisition of Subsidiaries	20	(157,607,791)	-	-
Net cash used in investing activities		**(145,799,561)**	**(9,182,159)**	**(9,198,659)**
FINANCING ACTIVITIES				
Proceed from issuance of shares after reverse acquisition adjustments and expenses		555,221,337	-	-
Cash at bank - restricted		(6,067,973)	1,155,412	254,544
Loan from bank		-	113,350,000	95,350,000
Advance to holding company		-	(75,654,564)	(75,654,564)
Advance to related company		-	(7,527,467)	(7,527,467)
Advance from related company		-	36,660	36,660
Repayment to holding company		-	(11,292,763)	(11,292,763)
Repayment of bank loan		(262,060,000)	-	-
Net cash from financing activities		**287,093,364**	**20,067,278**	**1,166,410**
Net increase / (decrease) in cash and cash equivalents		**60,672,085**	**(71,563,093)**	**(66,370,769)**
Cash and cash equivalents at beginning of period		**21,309,428**	**92,872,521**	**87,680,197**
Cash and cash equivalents at end of period	8	**81,981,513**	**21,309,428**	**21,309,428**

NOTES TO FINANCIAL STATEMENTS

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Ying Li International Real Estate Ltd (the "Company") formerly known as Showy International Ltd ("Showy"), is a limited liability company, which is incorporated in Singapore and listed on SGX Sesdaq on 28 July 2003.

On 22 October 2008, the Company issued 2.435 million new shares at RMB1.38633 (S$0.30) per share to comply with the shareholding and distribution requirements of the Listing Manual and to achieve a 15% public float and to have the shares of the Company held by at least 1,000 shareholders for Mainboard listings. The Company was upgraded to SGX Mainboard on 31 October 2008.

Ying Li International Real Estate Ltd (the "Company") is incorporated in the Republic of Singapore and has its registered office at 35 Sungei Kadut Street 4, Singapore 729057. The principal activity of the Company is that of an investment holding company. The principal activities of the Company's subsidiaries are set out in note 20 to the financial statements. The Company's shares are listed on the Main Board of the SGX-ST.

Its principal place of business is located at Chongqing, the People's Republic of China (the "PRC") at Level 4 Tower A, Minsheng Mansion, 181 Minsheng Road, Yuzhong District, Chongqing 400010.

Reverse acquisition accounting

On 26 September 2008, the Company completed the acquisition of the Fortune Court Group from Newest Luck Holdings Ltd ("Newest Luck") for a purchase consideration of RMB2,584 million (S$545.4 million) ("Acquisition"). The Fortune Court Group comprises the following 3 companies:

(1) Fortune Court Holdings Ltd ("Fortune Court")
(2) Chongqing Yingli Real Estate Development Co., Ltd ("Chongqing Yingli")
(3) Chongqing San Ya Wan Aquatic Products Integrative Trading Market Development Co., Ltd ("San Ya Wan")

The purchase consideration was satisfied by the allotment and issuance of 1,652.7 million new shares in the capital of the Company at RMB1.563969 (S$0.33) per share. Following the allotment and issuance of the shares, Newest Luck emerged as the single largest shareholder of the Company, owning 60.9% equity interest in the Company, thereby becoming the holding corporation of the Company.

Concurrent with the Acquisition, the Company completed the disposal of its entire previous existing business undertaking (note 19), which marked the exit of the Group from the bathroom and kitchen products and accessories.

Upon completion of the above exercises, the Company became a property development and investment company in Singapore. Chongqing Yingli engages principally in the development, sale, rental, management and long-term ownership of high quality commercial and residential properties in Chongqing.

At Group level

The Acquisition has been accounted for as a reverse acquisition in accordance with the requirement of IFRS 3 "Business Combinations" and the legal subsidiary (i.e. Fortune Court) is considered the acquirer for accounting purposes. Accordingly, the Group's consolidated balance sheet, income statement, statement of changes in equity and cash flow statement for the year ended 31 December 2008 have been presented as a continuation of the Fortune Court Group's financial results and operations.

NOTES TO FINANCIAL STATEMENTS

1. GENERAL (CONT'D)

<u>At Group level (cont'd)</u>

Since such consolidated financial statements represents a continuation of the financial statements of the Fortune Court Group's:

(a) the assets and liabilities of the Fortune Court Group are recognised and measured in the consolidated balance sheet at their pre-combination carrying amounts;

(b) the retained earnings and other equity balances recognised in the consolidated financial statements are the retained earnings and other equity balances of the Fortune Court Group immediately before the business combination;

(c) the amount recognised as issued equity instruments in the consolidated financial statements is determined by adding to the issued equity of the Fortune Court Group immediately before the business combination, the costs of the combination of the acquisition. However, the equity structure appearing in the consolidated financial statements (i.e. the number and type of equity instruments issued) reflect the equity structure of the legal parent (i.e. the Company), including the equity instruments issued by the legal parent (i.e. the Company) to effect the combination; and

(d) the comparative figures presented in these consolidated financial statements are prepared on a pro-forma basis. They include the consolidated financial statement of the Fortune Court Group which include Fortune Court and Chongqing Yingli assuming that the present structure existed during the previous financial year. The comparative figures for 13 March 2007 to 31 December 2007 and 1 January 2007 to 31 December 2007 are unaudited.

Consolidated financial statements prepared following a reverse acquisition shall reflect the fair values of the assets, liabilities and contingent liabilities of the legal parent (i.e. the acquiree for accounting purposes). Therefore, the cost of the business combination for the acquisition is allocated to the identifiable assets, liabilities and contingent liabilities of the legal parent that satisfy the recognition criteria at their fair values on 26 September 2008.

Any excess of the cost of the reverse acquisition over the acquirer's interest in the net fair values of the acquire is immediately written off in the income statement.

The Company and its subsidiaries before the acquisition of the Fortune Court Group being the acquiree for reverse acquisition accounting purposes, contributed accumulated losses amounting to approximately RMB13,410,508 to the Group during the year.

<u>At Company level</u>

Reverse acquisition accounting applies only at the consolidated financial statements at the Group level. Therefore, in the Company's financial statements, the investment in the legal subsidiaries (i.e. Fortune Court Group) is accounted for at cost less accumulated impairment losses in the Company's balance sheet.

In the Company's (the legal parent) separate financial statements, the investment in the Fortune Court Group (the legal subsidiary) is accounted for in accordance with the requirement of IAS 27 "Consolidated and Separate Financial Statements".

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") including related Interpretations promulgated by the International Accounting Standards Board ("IASB"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The Group has adopted all the new and amended IAS/IFRSs and IFRICs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2008. The adoption of these new/revised IAS/IFRSs and IFRICs did not result in substantial changes to the Group's accounting policies nor any significant impact on these financial statements.

At the date of authorization of these financial statements, the following IAS/IFRSs were issued but not yet effective:

Reference	Description	Effective date
IAS 1	- Presentation of Financial Statements — Revised presentation - Presentation of Financial Statements — Amendments relating to Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009 1 January 2009
IAS 23	Borrowing Cost (Revised)	1 January 2009
IAS 27	Consolidated and Separate Financial Statements (Revised)	1 January 2009
IFRS 3	Business Combination (Revised)	1 January 2009
IFRS 8	Operating segments	1 January 2009

The directors do not anticipate that the adoption of other IAS/IFRSs and IFRICs in future periods will have a material impact on the consolidated financial statements of the Group.

<u>IAS 1 Presentation of Financial Statements — Revised presentation</u>

The revised IAS 1 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is currently evaluating the format to adopt.

<u>IAS 23 – Borrowing Costs (Revised)</u>

IAS 23 (Revised) will be effective for annual periods beginning on or after 1 January 2009 and eliminates the option available under the previous version of IAS 23 to recognise all borrowing costs immediately as an expense. An entity shall capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. As the change in accounting policy is to be applied prospectively, there will be no impact on amounts reported for 2008.

The Group has already been observing the requirements of the new IAS 23 (Revised) and anticipates that the adoption of IAS 1 (Revised) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

IAS 27- Consolidated and Separate Financial Statements (Revised)

The revised standard introduces changes to the accounting requirements for the loss of control of a subsidiary and for changes in the Group's interest in subsidiaries. Management does not expect the standard to have a material effect on the Group's financial statements.

IFRS 3 Business Combination (Revised)

The standard is applicable for business combination occurring in reporting periods beginning on or after 1 July 2009 and will be applied prospectively. The new standard introduces changes to the accounting requirements for business combinations, but still requires use of the purchase method, and will have a significant effect on business combinations occurring in reporting periods beginning on or after 1 July 2009.

IFRS 8 Operating Segments

IFRS 8 requires entities to disclose segment information based on the information reviewed by the entity's chief operating decision maker. The impact of this standard on the other segment disclosures is still to be determined. As this is a disclosure standard, it will have no impact on the financial position and results of the Group when implemented in 2009.

2.2 Significant accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The critical accounting estimates and assumptions used and area involving a high degree of judgements are described below.

Carrying value of development properties

Significant judgement is required in assessing the recoverability of the carrying value of development properties. Analysis has been carried out based on assumptions regarding the selling price and costs of properties. Significant judgement is required in determining total costs of properties, including construction costs and variation orders. The Group estimates total construction costs based on contracts awarded and the experience of qualified project managers. The Group will also closely monitor the property price index and market sentiment, and adjustments will be made in future market activity indicates that such adjustments are appropriate.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of property, plant and equipment to be within 3 to 5 years. The carrying amount of the Company's and the Group's property, plant and equipment as at 31 December 2008 were RMB16,196 and RMB 3,749,353 respectively. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Significant accounting estimates and judgements (Cont'd)

Impairment in investment in subsidiaries

Determining whether investment in subsidiaries is impaired requires an estimation of the value-in-use of that investment. The value-in-use calculation requires the Group to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows. Management has evaluated the recoverability of the investment based on such estimates.

Valuation of investment properties

As disclosed in Note 4 to the financial statements, investment properties are stated at fair value based on the valuation performed by an independent professional valuer. In determining the fair value, the valuer has based this on a method of valuation which involves certain estimates. In relying on the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of current market conditions.

Income tax

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Allowance for bad and doubtful debts

Allowances for bad and doubtful debts are based on an assessment of the recoverability of trade and other receivables. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the expected outcome is different from the original estimate, such difference will impact carrying value of trade and other receivables and doubtful debt expenses in the period in which such estimate has been changed.

The accounting policies used by the Group have been applied consistently to all periods presented in these financial statements.

2.3 Functional and foreign currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). The consolidated financial statements of the Group and the balance sheet of the Company are presented in Renminbi, which is the Company's presentation currency and the functional currency of the principal operating subsidiaries of the Group. The functional currency of the Company is Singapore dollars.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Functional and foreign currency (cont'd)

Conversion of foreign currencies

Monetary items

Foreign currency monetary items are translated into the functional currency of the Group at rates of exchange closely approximating those ruling at balance sheet date. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Except for the situation described below, exchange differences arising from such transactions are recorded in the income statement in the period in which they arise.

Where a monetary item in substance forms part of the Company's net investment in the foreign subsidiaries and associates, exchange differences arising on such a monetary item are recorded directly to exchange fluctuation reserve to the extent that the net investment is represented by net assets in the foreign entity until the disposal of the investments when the exchange differences that were recorded in equity is recognised in the income statement.

Non-monetary items

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on non-monetary items, whereby the gains or losses are recognised in the income statement, such as equity investments held at fair value through profit or loss or investment properties carried at fair value, are reported as part of the fair value gains or losses in "other gains/losses - net".

Changes in the fair value of monetary securities denominated in foreign currencies classified as available-for-sale are analysed into currency translation differences on the amortised cost of the securities, and other changes. Currency translation differences on the amortised cost are recognised in the income statement, and other changes are recognised in fair value reserve within equity.

Currency translation differences on other non-monetary items whereby the gains or losses are recognised directly in equity, such as property, plant and equipment are included in the asset revaluation reserve. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Group entities

The results and financial position of all the entities within the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the date of the balance sheet;
(ii) Income and expenses are translated at average exchange rates; and
(iii) All resulting currency translation differences are recognised in the currency translation reserve in equity.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Consolidation

The financial statements of the Group include the financial statements of the Company and its subsidiaries made up to the end of the financial year. Information on its subsidiaries is given in Note 20.

All inter-company balances and significant inter-company transactions and resulting unrealised profits or losses are eliminated on consolidation and the consolidated financial statements reflect external transactions and balances only. The results of subsidiaries acquired or disposed of during the financial year are included or excluded from the consolidated income statement from the effective date in which control is transferred to the Group or in which control ceases, respectively.

Acquisitions of subsidiaries are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. The goodwill is accounted for in accordance with the accounting policy for goodwill stated below.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in the profit and loss account on the date of acquisition.

Where accounting policies of a subsidiary do not conform with those of the Company, adjustments are made on consolidation when the amounts involved are considered significant to the Group.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. They are presented in the consolidated balance sheet within equity, separately from the parent shareholders' equity, and are separately disclosed in the consolidated profit and loss account.

The losses applicable to the minority in a subsidiary may exceed the minority interest in the equity of the subsidiary. The excess and any further losses applicable to the minority, are charged against the majority interest except to the extent that the minority has a binding obligation to, and is able to make good the losses. If the subsidiary subsequently reports profits, the majority interest is allocated all such profits until the minority's share of losses previously absorbed by the majority has been recouped.

2.5 Subsidiaries

For consolidation purposes, a subsidiary is an entity controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether there is control.

Shares in subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis. The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the date of acquisition, irrespective of the extent of minority interest.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and impairment losses, if any. Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Office equipment	3 to 5 years
Motor vehicles	5 years
Computers	3 to 5 years

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

When an asset is revalued, any increase in the carrying amount is credited directly to revaluation surplus unless it reverses a previous revaluation decrease relating to the same asset which was previously recognised as an expense. In these circumstances the increase is recognised as income to the extent of the previous write down.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed yearly.

2.7 Investment properties

Investment properties include those portions of office buildings that are held for long term rental yields and/or for capital appreciation and land under operating leases that are held for long-term capital appreciation or for a currently indeterminate use, and where an insignificant portion is held for the group's own occupation.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on an existing use basis. Changes in fair values are recognised in the income statement.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as addition and the carrying amounts of the replaced components are written off to the income statement. The cost of maintenance, repairs and minor improvement is charged to the income statement when incurred.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Investment properties (cont'd)

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal or retirement of an investment property, the difference between any disposal proceeds and the carrying amount is recognised in the income statement.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when and only when, there is a change in use, evidenced by the commencement of owner-occupation or commencement of development with a view to sell.

2.8 Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

2.9 Financial assets

Financial assets can be divided into the following categories: financial assets at fair value through profit or loss, held to maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting date with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

All financial assets are recognised on their trade date - the date on which the Company and the Group commit to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Non-compounding interest and other cash flows resulting from holding financial assets are recognised in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

The Group does not hold any financial assets at fair value through profit or loss, held to maturity investment or available for sale financial assets.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial assets (cont'd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

Loans and receivables include trade and other receivables. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. If there is objective evidence that the asset has been impaired, the financial asset is measured at the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. The impairment or write back is recognised in the income statement.

2.10 Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the income statement.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the income statement.

Assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Development properties

Development properties are properties being constructed or developed for future sale. Cost of property in the course of development comprises land cost, development costs and borrowing costs capitalised during the development period. When completed, the units held for sale are classified as development properties.

Unsold development properties

Completed properties for sale but remaining unsold at year end are stated at lower of cost or net realisable value. Cost is determined by apportionment of the total land cost, development costs and borrowing costs capitalised attributable to the unsold properties. Net realisable value is determined by reference to sale proceeds of properties sold in ordinary course of business less all estimated selling expenses, or by management estimates based on prevailing market conditions.

Sold development properties

Revenue from properties developed for sale is recognised when the legal title passes to the buyer or when the equitable interest in the property vest in the buyer upon release on the handover notice of the respective property to the buyer, whichever is the earlier. Payments received from buyers prior to this stage are recorded as advances from customers for sales of properties and is classified as current liabilities.

2.12 Land for development

Land for development is land held for future sale in the ordinary course of business. Cost comprises the cost of land use rights, borrowing cost and other costs directly attributable to bringing the leasehold land to the condition necessary for it to be ready for development. Land for development is stated at the lower of cost and net realizable value.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of cash management.

2.14 Financial liabilities

The Company's and the Group's financial liabilities include borrowings, provisions, trade and other payables at balance sheet date.

Financial liabilities are recognised when the Company and the Group become a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in "finance cost" in the income statement. Financial liabilities are derecognised if the Group's obligation specified in the contract expire or are discharged or cancelled.

Borrowings are recognised initially at fair value of proceeds received less attributable transaction costs, if any. Borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the income statement over the period of the borrowings using the effective interest method. The interest expense is chargeable on the amortised cost over the period of the borrowings using the effective interest method.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Financial liabilities (cont'd)

Gains and losses are recognised in the profit and loss account when the liabilities are derecognised as well as through the amortisation process.

Borrowings which are due to be settled within twelve months after the balance sheet are included in current borrowings in the balance sheet even though the original terms was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date. Borrowings due to be settled more than twelve months after the balance sheet date are included in non-current borrowings in the balance sheet.

2.15 Provisions

Provisions are recognised when the Company and the Group have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

2.16 Borrowing costs

Borrowing costs are recognised in the income statement as incurred except to the extent that they are capitalised. Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are ready for their intended use or sale.

2.17 Leases

Finance leases

Where assets are financed by lease agreements that give rights approximating to ownership, the assets are capitalised as if they had been purchased outright at values equivalent to the lower of the fair values of the leased assets and the present value of the total minimum lease payments during the periods of the leases. The corresponding lease commitments are included under liabilities. The excess of lease payments over the recorded lease obligations are treated as finance charges which are amortised over each lease to give a constant effective rate of charge on the remaining balance of the obligation.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Leases (cont'd)

Operating leases

Rentals on operating leases are charged to income statement on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the net consideration agreed for the use of the leased asset. Penalty payments on early termination, if any, are recognised in the income statement when incurred.

Where the Group is the lessor,

Assets leased out under operating leases are included in investment properties and are stated at revalued amounts and not depreciated. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease terms.

Where the Group is the lessee,

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease terms.

2.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.19 Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained profit, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the articles of association of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

2.20 Income taxes

The liability method of tax effect accounting is adopted by the Company and the Group. Current taxation is provided at the current taxation rate based on the tax payable on the income for the financial year that is chargeable to tax. Deferred taxation is provided at the current taxation rate on all temporary differences existing at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences (unless the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss). Deferred income tax is provided on all temporary differences arising on investment in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Income taxes (cont'd)

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised (unless the deferred tax asset arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss).

The statutory tax rates enacted at the balance sheet date are used to determine deferred income tax.

2.21 Revenue

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the purchaser. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of the goods.

Sale of properties

Revenue arising from sale of properties is recognised upon the properties have been delivered and the legal title has been passed to the purchasers and collectability of related receivables is reasonably assured.

Rental income

Rental income arising on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease terms on a straight-line basis.

Interest income

Interest income is recognised on a time-apportioned basis using the effective interest method.

Consultancy fee income

Consultancy fee income is recognised when services are rendered.

2.22 Statutory Common Reserve

Statutory reserve represents the amount transferred from profit after taxation of the subsidiaries incorporated in the People's Republic of China ("PRC") in accordance with the PRC requirement. The statutory reserve cannot be reduced except where approval is obtained from the relevant PRC authority to apply the amount either in setting off the accumulated losses or increasing capital.

2.23 Employee benefits

Pension obligations

The Company and the Group participate in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. In particular, the Singapore incorporated companies in the Group contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to national pension schemes are charged to the income statement in the period to which the contributions relate.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Employee benefits (cont'd)

Pension obligations (cont'd)

Pursuant to the relevant regulations of the PRC government, the PRC subsidiaries of the Group ("PRC subsidiaries") have participated in central pension schemes ("the Schemes") operated by local municipal governments whereby the PRC subsidiaries are required to contribute a certain percentage of the basic salaries of their employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the PRC subsidiaries. The only obligation of the PRC subsidiaries with respect to the Schemes is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged to the profit and loss statement as incurred.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the balance sheet date.

2.24 Finance cost

Borrowing costs are recognised in the income statement using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

2.25 Impairment of non-financial assets

The carrying amounts of the Company's and Group's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the company at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.25 Impairment of non-financial assets (cont'd)

Any impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it is charged to equity.

With the exception of goodwill,

(a) An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

(b) An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

(c) A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

An impairment loss in respect of goodwill is not reversed, even if it relates to impairment loss recognised in an interim period that would have been reduced or avoided had the impairment assessment been made at a subsequent reporting balance sheet.

2.26 Financial instruments

Financial instruments carried on the balance sheet include cash and cash equivalents, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These instruments are recognised when contracted for.

Disclosures on financial risk management objectives and policies are provided in Note 24.

NOTES TO FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT

Group	Office equipment RMB	Motor vehicles RMB	Computers RMB	Total RMB
Cost:				
At 1 January 2007	591,318	4,415,909	373,016	5,380,243
Additions	16,500	2,149,776	-	2,166,276
At 31 December 2007	607,818	6,565,685	373,016	7,546,519
Acquisition of subsidiary	330,804	167,562	23,731	522,097
Additions	62,931	746,465	45,333	854,729
Reclassification	169,558	-	(169,558)	-
At 31 December 2008	1,171,111	7,479,712	272,522	8,923,345
Accumulated depreciation:				
At 1 January 2007	472,680	2,795,353	254,088	3,522,121
Depreciation	15,996	689,458	27,802	733,256
At 31 December 2007	488,676	3,484,811	281,890	4,255,377
Exchange difference on translation	-	-	(39)	(39)
Depreciation	36,984	863,159	18,511	918,654
Reclassification	150,391	-	(150,391)	-
At 31 December 2008	676,051	4,347,970	149,971	5,173,992
Net carrying amount:				
At 31 December 2008	495,060	3,131,742	122,551	3,749,353
At 31 December 2007	119,142	3,080,874	91,126	3,291,142

Company	Office equipment RMB	Motor vehicles RMB	Computers RMB	Total RMB
Cost:				
At 1 January 2007	6,483,362	5,431,238	-	11,914,600
Additions	-	3,483,386	-	3,483,386
Disposal	-	(2,213,254)	-	(2,213,254)
At 31 December 2007	6,483,362	6,701,370	-	13,184,732
Disposal *	(6,483,362)	(6,701,370)	-	(13,184,732)
Additions	-	-	17,308	17,308
At 31 December 2008	-	-	17,308	17,308
Accumulated depreciation:				
At 1 January 2007	5,108,965	4,412,288	-	9,521,253
Depreciation	104,282	649,394	-	753,676
Disposal	-	(1,929,022)	-	(1,929,022)
At 31 December 2007	5,213,247	3,132,660	-	8,345,907
Disposal *	(5,213,247)	(3,132,660)	-	(8,345,907)
Depreciation	-	-	1,112	1,112
At 31 December 2008	-	-	1,112	1,112
Net carrying amount:				
At 31 December 2008	-	-	16,196	16,196
At 31 December 2007	1,270,115	3,568,710	-	4,838,825

* This is relating to business transfer agreement in Note 19

NOTES TO FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES

	Group	
	2008 RMB	2007 RMB
Balance sheet:		
At 1 January	1,330,407,000	488,658,581
Additions	-	7,032,383
Fair value (loss) / gain recognised in the income statement	(50,458,000)	834,716,036
Net carrying amount at 31 December	1,279,949,000	1,330,407,000
Income statement:		
Rental income	30,868,244	39,969,394
Direct operating expenses arising from investment properties that generated rental income	(4,365,000)	-
Direct operating expenses arising from investment properties that did not generate rental income	(3,907,526)	(4,496,825)

NOTES TO FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

(a) The investment properties, all held by a wholly-owned subsidiary in Chongqing, PRC, comprise:

Location & description	Existing use	Area sq. metres	Tenure
Southland Garden[(b)]	Office, Commercial, Carpark	15,725.96	The land use rights of the property have been granted for a term of 40 and 50 years expiring on 25 November 2042 and 25 November 2052 for commercial and residential uses respectively.
New York New York	Offices, Carpark	3,376.31	The land use rights of the property have been granted for a term of 40 years expiring on 16 January 2042 for commercial use.
Min Sheng Mansion[(b)]	Office, Carpark	9,764.03	The land use rights of the property have been granted for a term of 40 and 50 years expiring on 28 September 2033 and 28 September 2043 for commercial and residential uses respectively.
Future International[(b)]	Commercial, Carpark, Office	83,022.40	The land use rights of the property have been granted for a term of 40 years expiring on 31 March 2045 for commercial use.
Zou Rong Plaza	Office, Carpark	7,005.58	The land use rights of the property have been granted for a term of 50 years expiring on 3 January 2046 for commercial use.
Bashu Cambridge	Commercial, Carpark	10,886.41	The land use rights of the property have been granted for a term of 40 and 50 years expiring on 21 September 2044 and 21 November 2054 for commercial and residential uses respectively.

The investment properties are stated at valuation based on the professional valuation carried out by an independent valuer, Jones Lang LaSalle Sallmanns Limited, for all investment properties on existing use basis as at December 31, 2008 and 2007.

(b) Properties pledged as security

These are the investment properties that are mortgaged to secure bank loans (Note 10).

NOTES TO FINANCIAL STATEMENTS

5 LAND FOR DEVELOPMENT

	Group	
	2008 RMB	**2007 RMB**
At cost:		
Land for development	572,735,709	203,706,310
Borrowing costs capitalised during the year	13,856,036	15,132,552

Borrowing cost capitalised during the period from 13 March to 31 December 2007 was RMB12,251,099.

The land for development included leasehold interest in land located in Chongqing, PRC with expiry terms as follows:

	Lease terms expiring on Commercial
Lu Zu Temple Project	23/01/2048
Financial Centre Project	20/12/2044
San Ya Wan Project	12/01/2045

6 DEVELOPMENT PROPERTIES

	Group	
	2008 RMB	**2007 RMB**
At cost:		
Development properties	105,550,069	31,599,710
Borrowing costs capitalised during the year	9,741,255	21,686,369

Borrowing cost capitalised during the period from 13 March to 31 December 2007 was RMB15,348,133.

The development properties included leasehold interest in land located in Chongqing, PRC with expiry terms as follows:

	Lease terms expiring on	
	Commercial	**Residential**
Southland Garden	25/11/2042	25/11/2052
Bashu Cambridge	21/09/2044	21/09/2054
Future International	31/03/2045	31/03/2055
New York New York	16/01/2042	-
San Ya Wan Project	12/01/2045	-

NOTES TO FINANCIAL STATEMENTS

7 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2008 RMB	2007 RMB	2008 RMB	2007 RMB
Trade receivables:				
Subsidiaries	-	-	-	473,930
Third parties	8,651,248	14,432,276	-	10,464,374
Shareholder (1)	-	75,654,564	-	-
Related parties (1)	-	7,490,807	-	-
	8,651,248	97,577,647	-	10,938,304
Other receivables:				
Subsidiaries (non-trade)	-	-	-	90,046
Rental deposits	483,466	-	483,466	23,697
GST receivables	782,349	-	782,349	-
Prepayments	114,072	-	114,072	232,226
Staff advances and allowances (2)	1,123,703	1,229,559	-	-
Refundable tender deposits	1,000,000	-	-	-
Reimbursement expenses	-	878,255	-	-
Advance to sub-contractors	2,969,198	7,471,044	-	-
Advance to management agents	6,500,000	-	-	-
Refundable deposits	281,946	-	-	-
Distribution of net capital from Showy (Shanghai) Impex Ltd (3)	1,288,343	-	1,288,343	-
Other receivables	956,821	-	129,319	-
	15,499,898	9,578,858	2,797,549	345,969
Total trade and other receivables	24,151,146	107,156,505	2,797,549	11,284,273

Notes:

(1) Amount owing by shareholder and related parties mainly represents rental receivable in Renminbi collected on behalf which are interest-free and are repayable on demand.

(2) Advances to staff are unsecured, interest-free and repayable on demand.

(3) The company is in its final stage of liquidation. This amount represents the amount expected to be collected after the completion of liquidation.

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	2008 RMB	2007 RMB	2008 RMB	2007 RMB
Renminbi	21,353,597	107,156,505	-	47,393
United States dollar	-	-	-	473,930
Singapore dollar	2,797,549	-	2,797,549	10,762,950
	24,151,146	107,156,505	2,797,549	11,284,273

NOTES TO FINANCIAL STATEMENTS

7 TRADE AND OTHER RECEIVABLES (CONT'D)

The ageing analysis of trade receivables past due but not impaired is as follows:

	Group		Company	
	2008 RMB	2007 RMB	2008 RMB	2007 RMB
Past due 0 to 3 months but not impaired	8,651,248	97,577,647	-	9,379,074
Past due 3 to 6 months but not impaired	-	-	-	1,559,230
	8,651,248	97,577,647	-	10,938,304

The fair value of the trade amounts owing are not individually determined as the carrying amounts are a reasonable approximate to fair value.

8 CASH AND BANK BALANCES

	Group		Company	
	2008 RMB	2007 RMB	2008 RMB	2007 RMB
Cash in transit (1)	3,276,445	-	-	-
Cash and cash equivalents	78,705,068	21,309,428	25,860,137	76,388,037
Total cash and cash equivalents	81,981,513	21,309,428	25,860,137	76,388,037
Cash at bank – restricted (2)	18,159,921	12,091,948	-	-
	100,141,434	33,401,376	25,860,137	76,388,037

Notes:

(1) Cash in transit is money relating to capital contribution but is received after year end.

(2) This relates to money restricted by banks from withdrawals in case of default payment by customers.

Cash and bank balances are denominated in the following currencies:

	Group		Company	
	2008 RMB	2007 RMB	2008 RMB	2007 RMB
Singapore dollar	29,706,492	8,245	25,856,580	76,146,333
United States dollar	33,589,405	-	3,557	241,704
Renminbi	36,845,537	33,393,131	-	-
	100,141,434	33,401,376	25,860,137	76,388,037

NOTES TO FINANCIAL STATEMENTS

9 TAXATION

	Group	
	2008	2007
	RMB	RMB
Current taxation	12,590,540	14,115,469
Deferred taxation	(12,755,901)	203,290,746
	(165,361)	217,406,215

The tax expenses on the results of the financial year vary from the amount of income tax determined by applying the PRC statutory rate of income tax on profit as a result of the following:

	Group	
	2008	2007
	RMB	RMB
Profit before taxation	355,401,869	897,499,919
Tax at PRC statutory rate of 25% (2007:33%)	88,850,467	296,174,973
Adjustment:		
Tax effect on non-deductible expenses	29,682,390	-
Tax effect on non-taxable income	(121,348,960)	(7,112,506)
Difference in tax rates used for corporate profits and fair value gain on investment properties	-	(65,053,040)
Difference in foreign tax rates	1,305,601	-
Deferred tax assets on temporary difference not recognised	3,195,312	-
Others	(1,850,171)	(6,603,212)
	(165,361)	217,406,215

Subject to agreement with the relevant tax authorities, the Group has unabsorbed tax losses of RMB18,003,651 (2007 - Nil) available for offset against future taxable profits provided that the provisions of relevant countries' tax legislations are complied with. The related tax benefits of RMB3,195,312 (2007 - Nil) have not been recognised in the financial statements.

Deferred tax

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The amounts determined after appropriate offsetting are included in the balance sheets as follows:

	Group	
	2008	2007
	RMB	RMB
Balance at beginning	203,290,746	-
Temporary difference for fair value (loss) / gain on investment properties	(12,755,901)	203,290,746
Under provision for fair value gain on investment properties in prior year	141,402	-
	190,676,247	203,290,746

The balance comprises mainly tax on temporary differences relating to the fair value gain/(loss) on the investment properties.

NOTES TO FINANCIAL STATEMENTS

10 BORROWINGS

	Group		Company	
	2008 RMB	2007 RMB	2008 RMB	2007 RMB
Amount repayable within one year				
- Bank loans	28,170,000	256,340,000	-	-
- Finance lease obligation	-	-	-	37,914
	28,170,000	256,340,000	-	37,914
Amount repayable after one year				
- Bank loans	269,250,000	213,140,000	-	-
	297,420,000	469,480,000	-	37,914
At fixed rates	115,000,000	281,340,000	-	37,914
At floating rates	182,420,000	188,140,000	-	-
	297,420,000	469,480,000	-	37,914

The loans are secured by:

(a) mortgage of the investment properties (Note 4);
(b) fixed and floating charges on assets of the subsidiaries.

Bank loans have an effective interest rate ranging from 6.1% to 9.5%. Interest rates are repriced every 12 months.

Current bank loan are repayable within 12 months, and non-current bank loans are repayable in 2 to 13 years.

Bank borrowings are denominated in Renminbi.

Interest rates are repriced every 12 months for those on floating rate.

The fair values of the fixed rate loans are determined from the discounted cash flows analysis, using a discount rate based upon the borrowing rate which the directors expect would be available to the Group at the balance sheet date. No adjustment has been made to fair values as the differences between the carrying amounts and fair values are not significant to the Group.

	Group		Company	
	2008 RMB	2007 RMB	2008 RMB	2007 RMB
Fixed rate bank loans	115,000,000	281,340,000	-	37,914
Fair value	114,530,699	281,002,392	-	37,914

NOTES TO FINANCIAL STATEMENTS

11 TRADE AND OTHER PAYABLES

	Group		Company	
	2008	2007	2008	2007
	RMB	RMB	RMB	RMB
Trade payables:				
Subsidiaries	-	-	-	4,677,689
Third parties	103,016,980	26,755,517	-	4,862,522
	103,016,980	26,755,517	-	9,540,211
Other payables:				
Subsidiaries (non-trade)	-	-	128,273,868	-
Accrued expenses	7,630,112	-	7,286,260	4,075,615
Provision for construction cost	-	57,670,338	-	-
Note payables [(a)]	-	550,000	-	-
Advances from customers	44,946,994	38,367,677	-	-
Land Appreciation Tax ("LAT") payables	4,914,109	21,172,730	-	-
Business and other tax payables	7,860,725	7,624,622	-	-
Rental and option deposits	14,019,771	26,777,421	-	-
Other creditors – professional fees	19,746,558	-	19,746,558	-
Others	5,996,450	-	7,597	-
	105,114,719	152,162,788	155,314,283	4,075,615
Total trade and other payables	208,131,699	178,918,305	155,314,283	13,615,826

Notes:

(a) Note payables are unsecured, interest-free and are repayable on demand.

Trade and other payables are denominated in the following currencies:

	Group		Company	
	2008	2007	2008	2007
	RMB	RMB	RMB	RMB
Singapore dollar	19,563,684	-	19,563,686	8,838,613
Renminbi	181,091,286	178,918,305	-	-
Hong Kong dollar	166,021	-	166,021	-
Malaysian ringgit	-	-	-	75,829
United States dollar	7,310,708	-	135,584,576	4,701,384
	208,131,699	178,918,305	155,314,283	13,615,826

The carrying amounts of current trade and other payables approximated their fair values as at the balance sheet dates.

12 AMOUNT OWING TO A DIRECTOR

The amount owing to a director is unsecured, interest-free and is repayable on demand.

NOTES TO FINANCIAL STATEMENTS

13 CAPITAL CONTRIBUTION

	Group			
	No. of ordinary shares		Amount	
	2008	2007	2008 RMB	2007 RMB
Issued and fully paid:				
Balance at beginning of year				
- Fortune Court Holdings Ltd	n.m.	n.m.	10,738	10,738
- Ying Li International Real Estate Ltd	127,000,000	n.m.	78,751,179	-
Issue of shares	1,655,149,429	n.m.	2,588,169,848	-
Share issue expenses	-	n.m.	(29,249,723)	-
	1,782,149,429	n.m.	2,637,682,042	10,738

	Company			
	No. of ordinary shares		Amount	
	2008	2007	2008 RMB	2007 RMB
Issued and fully paid:				
Balance at beginning of year				
- Fortune Court Holdings Ltd	n.m.	n.m.	10,738	10,738
- Ying Li International Real Estate Limited	127,000,000	61,000,000	78,751,179	27,833,909
Issue of shares	1,655,149,429	66,000,000	2,588,169,848	51,600,241
Share issue expenses	-	-	(29,249,723)	(682,971)
	1,782,149,429	127,000,000	2,637,682,042	78,761,917

n.m. – The post reverse takeover group did not exist in 2007. It is therefore not meaningful to show the comparative figures.

All issued ordinary shares are fully paid.

During the financial year, the Company issued 1,652,714,429 ordinary shares with a fair value of RMB1.563969 (S$0.33) each and 2,435,000 ordinary shares with a fair value of RMB1.38633 (S$0.30) each, being the published prices of the shares at the dates of exchange to the vendor. The Company issued the new shares to provide funds for the expansion of the Group's operations.

14 REVENUE

	Group		
	1 Jan to 31 Dec 2008 RMB	13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB	1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB
Sales of properties	55,856,115	60,265,712	205,960,505
Rental income	30,868,244	30,367,528	39,969,394
	86,724,359	90,633,240	245,929,899

NOTES TO FINANCIAL STATEMENTS

15 OTHER INCOME

	Group		
	1 Jan to 31 Dec 2008 RMB	13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB	1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB
Consultancy fees	35,625,000	-	-
Over-provision of Land Appreciation Tax in prior years	13,939,335	-	-
Interest income	545,982	13,133	13,133
Negative goodwill (Note 20)	485,395,842	-	-
Others	4,378,799	-	-
	539,884,958	13,133	13,133

16 OTHER OPERATING EXPENSES

	Group		
	1 Jan to 31 Dec 2008 RMB	13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB	1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB
Write off of goodwill on reverse acquisition	109,372,659	-	-
Donation for Sichuan earthquake	10,400,000	-	-
Others	5,624,163	-	-
	125,396,822	-	-

NOTES TO FINANCIAL STATEMENTS

17 PROFIT BEFORE TAXATION

		Group		
	Note	1 Jan to 31 Dec 2008 RMB	13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB	1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB
Profit before taxation has been arrived at after charging:				
Depreciation of property, plant and equipment	3	918,654	397,173	733,256
Bad debts written off		151,377	201,414	201,414
Exchange loss		4,970,162	-	-
Fair value (gains)/losses on:				
- investment properties	4	50,458,000	(834,716,036)	(834,716,036)
Staff costs:				
Directors' remuneration other than fee				
- salaries and related cost		337,123	-	-
Directors' fees		430,045	-	-
Key management personnel (other than directors):				
- Salaries, wages and other related costs		300,874	-	-
- Employer's contribution to defined contribution plans including the Central Provident Fund, Singapore		61,822	-	-
Other than directors and key management personnel:				
- Salaries, wages and other related costs		3,069,582	4,011,587	5,867,945
- Employer's contribution to defined contribution plans including the Central Provident fund, Singapore		940,053	269,892	394,785

NOTES TO FINANCIAL STATEMENTS

18 EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Company is based on the following:

	Group		
	1 Jan to 31 Dec 2008 RMB	13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB	1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB
Basic earnings per share	0.63	n.m.	n.m.
Diluted earnings per share	0.63	n.m.	n.m.
Profit attributable to equity holders of the Company	357,438,609	659,431,584	680,093,704
Number of Shares			
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	565,486,843	n.m.	n.m.

n.m. – The post reverse takeover group did not exist in 2007. It is therefore not meaningful to show the comparative figures.

19 DISPOSAL OF ASSETS AND LIABILITIES

The Company entered into a Business Transfer Agreement on 7 July 2008 to effect the disposal of the Group's existing business of bathroom, kitchen products and accessories in its entirety to Showy Pte Ltd for a cash consideration of RMB22,168,959 (SGD4,664,203), determined on a willing-seller and willing-buyer basis, based on the fair value of the Group's assets and liabilities.

	RMB
Net assets disposed	
Property, plant and equipment	5,940,947
Trade receivables	8,314,656
Cash and cash equivalents	9,506,000
Inventories	6,517,119
Trade payables	(7,667,017)
Income tax payables	(442,746)
	22,168,959
Proceeds from disposal of assets and liabilities	22,168,959
Gain on disposal of assets and liabilities	-
Proceeds from disposal of assets and liabilities	22,168,959
Cash and cash equivalents disposed	(9,506,000)
Net cash received from disposal	12,662,959

NOTES TO FINANCIAL STATEMENTS

20 INVESTMENT IN SUBSIDIARIES

	Company 2008 RMB	Company 2007 RMB
Quasi-equity loan [(1)]	-	16,980,912
Unquoted equity investment, at cost	2,768,750,572	1,639,798
Less allowance for impairment	-	(5,274,841)
	2,768,750,572	13,345,869

The subsidiaries are:

Name	Company of incorporation	Principal activities	Cost of investment (RMB) 2008	Cost of investment (RMB) 2007	Percentage of equity held (%) 2008	Percentage of equity held (%) 2007
Held by the Company						
Fortune Court Holdings Ltd [(2)]	Hong Kong	Investment holding	2,584,794,135	-	100	-
Chongqing Yingli Real Estate Development Co., Ltd [(2)]	China	Property developer	183,956,437	-	43.65	-
Showy (Shanghai) Impex Ltd	China	Under liquidation	-	1,639,787	-	100
Showy Overseas Pte. Ltd.	Singapore	Disposed of	-	11	-	100
			2,768,750,572	1,639,798		
Held by Showy Overseas Pte. Ltd.						
Showy Industrial Co. (Ningbo) Ltd	China	Disposed of	-	16,739,208	-	100
Held by Fortune Court Holdings Ltd						
Chongqing Yingli Real Estate Development Co., Ltd [(2)]	China	Property developer	216,237,761	-	52.96	-
Held by Chongqing Yingli Real Estate Development Co., Ltd						
Chongqing San Ya Wan Aquatic Products Integrative Trading Market Development Co., Ltd [(2)]	China	Property developer	100,500,000	-	80	-

NOTES TO FINANCIAL STATEMENTS

20 INVESTMENT IN SUBSIDIARIES (CONT'D)

(1) This loan is an interest free quasi-equity loan from the Company to Showy Overseas Pte. Ltd. and it is not expected to be repaid in the foreseeable future.
(2) Audited by Foo Kon Tan Grant Thornton for consolidation purposes

During the year, Fortune Court acquired Chongqing Yingli Real Estate Development Co., Ltd (Chongqing Yingli), and

Chongqing Yingli in turn acquired Chongqing San Ya Wan Aquatic Products Integrative Trading Market Development Co., Ltd (San Ya Wan).

The subsidiaries acquired during the year contributed all of the Group's profit for the year. If acquisition had occurred on 1 January 2008, Group's revenue and profit would have been RMB108,221,176 and RMB373,515,904. The subsidiary's assets and liabilities at 31 December 2008 were RMB2,041,438,693 and RMB749,710,993 respectively.

The fair value of the identifiable assets and liabilities of the subsidiaries as at the date of acquisition are as follows:

	The Group Acquisition Chongqing Yingli		The Group Acquisition San Ya Wan	
	At fair value RMB	At carrying amount RMB	At fair value RMB	At carrying amount RMB
Net assets acquired				
Property, plant and equipment	3,084,069	3,084,069	522,097	522,097
Investment properties	1,330,407,000	1,330,407,000	-	-
Land for development	246,147,837	246,147,837	194,706,798	101,081,798
Development properties	29,543,661	29,543,661	-	-
Trade and other receivables	37,472,637	37,472,637	64,813,906	64,813,906
Amount owing by shareholder	75,755,517	75,755,517	-	-
Amount owing by related parties	9,120,532	9,120,532	-	-
Cash at bank - restricted	11,359,221	11,359,221	-	-
Cash and cash equivalents	150,092,508	150,092,508	2,208,223	2,208,223
Deferred tax	(203,290,746)	(203,290,746)	-	-
Bank borrowings	(396,307,502)	(396,307,502)	(90,000,000)	(90,000,000)
Deferred capital grants	-	-	(200,001)	(200,001)
Trade and other payables	(200,855,410)	(200,855,410)	(46,487,636)	(46,487,636)
Provision for taxation	(58,835,429)	(58,835,429)	61,613	61,613
Net assets of the subsidiary	1,033,693,895	1,033,693,895	125,625,000	32,000,000
Net assets attributable to Fortune Court	694,804,364		-	
Net assets attributable to Chongqing Yingli	-		100,500,000	
Purchase consideration	209,408,522		100,500,000	
Negative goodwill on consolidation	(485,395,842)		-	
Purchase consideration	209,408,522		100,500,000	
Cash and bank balances in subsidiary acquired	(150,092,508)		(2,208,223)	
Net cash used in acquisition	59,316,014		98,291,777	
Total net cash used in acquisition	157,607,791		-	

NOTES TO FINANCIAL STATEMENTS

21 RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant transactions with related parties:

	Group	
	2008	2007
	RMB	RMB
Rental income received from related party at mutually agreed rates	403,812	3,349,629

The related party is an entity that is directly controlled by common shareholders of the Company.

22 OPERATING LEASE COMMITMENTS

(A) Where Company and Group are the lessees

At the balance sheet date, the Company and the Group were committed to making the following rental payments in respect of operating leases of office premises with an original term of more than one year:

	Company/Group	
	2008	2007
	RMB	RMB
Not later than one year	1,432,374	246,444
Later than one year and not later than five years	3,995,570	981,035
Later than five years	-	1,388,615
	5,427,944	2,616,094

The leases on the Company's and the Group's office premises on which rentals are payable will expire on 15 March 2012, subject to an option to renew for another 3 years at the prevailing market rent.

(B) Where Company and Group are the lessors

At the balance sheet date, the Group had the following rental income under lease for commercial premises with a term of more than one year:

	Group	
	2008	2007
	RMB	RMB
Not later than one year	42,952,965	41,529,193
Later than one year and not later than five years	162,776,720	159,609,570
Later than five years	453,849,743	493,081,203
	659,579,428	694,219,966

The leases on the Group's commercial premises on which rentals are received will expire from 2009 to 2026 with renewals at the then prevailing rates.

NOTES TO FINANCIAL STATEMENTS

23 STATEMENT OF OPERATIONS BY SEGMENTS

The Group

Segment information is presented in respect of the Group's business and geographical segments. The primary format (business segments) is based on the Group's management and internal reporting structure. Secondary information is not presented as the Group's principal activities and assets are principally located in the People's Republic of China. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Inter-segment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investments (other than investment properties) and related revenue, loans and expenses, corporate assets and head office expenses, and income tax assets and liabilities.

Business segments

The Group comprises the following main business segments:

- Property development segment is involved in the development and sale of office, commercial and residential properties
- Property investment is involved in properties held for rental yields

The following table presents assets, liabilities and other segment information regarding the Group's business segments as at years ended 31 December.

	2008			2007		
	Property Rental RMB	Property Development RMB	Total RMB	Property Rental RMB	Property Development RMB	Total RMB
ASSETS						
Segment assets	1,289,427,603	692,941,756	1,982,369,359	1,344,354,858	239,567,384	1,583,922,242
Unallocated assets	-	-	103,907,352	-	-	125,639,801
Consolidated total assets	-	-	2,086,276,711	-	-	1,709,562,043
LIABILITIES						
Segment liabilities	58,708,094	298,612,060	357,320,154	18,330,699	586,634,679	604,965,378
Income tax	-	-	68,618,523	-	-	54,648,495
Deferred tax	-	-	190,676,247	-	-	203,290,746
Unallocated liabilities	-	-	160,136,482	-	-	56,073,569
Consolidated total liabilities	-	-	776,751,406	-	-	918,978,188
OTHER INFORMATION						
Capital expenditure	-	-	854,729	-	-	2,166,276
Depreciation	-	-	918,654	-	-	733,256

NOTES TO FINANCIAL STATEMENTS

23 STATEMENT OF OPERATIONS BY SEGMENTS (CONT'D)

Business segments (cont'd)

The following table presents revenue and results information regarding the Group's business segments for the years ended 31 December.

	1 Jan to 31 Dec 2008 RMB			13 Mar to 31 Dec 2007 (Unaudited pro-forma) RMB			1 Jan to 31 Dec 2007 (Unaudited pro-forma) RMB		
	Property Rental	Property Development	Total	Property Rental	Property Development	Total	Property Rental	Property Development	Total
REVENUE									
External revenue	30,868,244	55,856,115	86,724,359	30,367,528	60,265,712	90,633,240	39,969,394	205,960,505	245,929,899
Inter-segment revenue	-	-	-	-	-	-	-	-	-
Total revenue	30,868,244	55,856,115	86,724,359	30,367,528	60,265,712	90,633,240	39,969,394	205,960,505	245,929,899
RESULTS									
Segment result	25,486,910	19,641,289	45,128,199	26,752,078	16,605,564	43,357,642	35,472,569	42,578,164	78,050,733
Unallocated corporate expenses	-	-	(11,130,646)	-	-	(11,130,214)	-	-	(14,951,531)
Interest income	-	-	545,982			13,133			13,133
Interest expenses	-	-	(4,706,849)	-	-	(295,662)	-	-	(328,452)
Negative goodwill	-	-	485,395,842	-	-		-	-	-
Goodwill written off	-	-	(109,372,659)	-	-	-	-	-	-
Fair value (loss)/gain on investment properties	-	-	(50,458,000)	-	-	834,716,036	-	-	834,716,036
Profit before taxation			355,401,869			866,660,935	-	-	897,499,919
Income taxes	-	-	165,361	-	-	(207,229,351)	-	-	(217,406,215)
Net profit after tax			355,567,230			659,431,584	-	-	680,093,704

NOTES TO FINANCIAL STATEMENTS

24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company and the Group have documented financial risk management policies. These policies set out the Company's and the Group's overall business strategies and its risk management philosophy. The Company and the Group are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks included credit risk, liquidity risk, interest rate risk and foreign currency risk. The Company's and the Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Company's and the Group's financial performance.

There has been no change to the Company's and the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Company or the Group to incur a financial loss. The Company's and the Group's exposure to credit risk arises primarily from trade and other receivables. For trade receivables, the Company and the Group adopt the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Company and the Group adopt the policy of dealing only with high credit quality counterparties.

The Company's and the Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

The Company's and the Group's major classes of financial assets are bank deposits and trade receivables. Cash is held with financial institutions of good standing/established financial institutions/reputable financial institutions. Further details of credit risks on trade and other receivables are disclosed in Note 7.

(ii) Liquidity risk

Liquidity risk is the risk that the Company or the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's and the Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's and the Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	2008				2007			
Group	1 year or less RMB	1 to 5 years RMB	Over 5 years RMB	Total RMB	1 year or less RMB	1 to 5 years RMB	Over 5 years RMB	Total RMB
Trade and other payables	208,131,699	-	-	208,131,699	178,918,305	-	-	178,918,305
Bank borrowings	28,170,000	269,250,000	-	297,420,000	256,340,000	213,140,000	-	469,480,000
	236,301,699	269,250,000	-	505,551,699	435,258,305	213,140,000	-	648,398,305

The Group ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

Bank loans have an effective interest rate ranging from 6.1% to 9.5%.

NOTES TO FINANCIAL STATEMENTS

24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's and the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest risk arises primarily from their bank borrowings. The Group's borrowings at floating rates are contractually repriced every 12 months.

Sensitivity analysis for interest risk

At the balance sheet date, if RMB interest rates had been 50 (2007 – 50) basis points lower / higher with all other variables held constant, the Group's profit net of tax would have been RMB 684,000 (2007 – RMB 705,000) higher / lower, arising mainly as a result of lower / higher interest expense on floating rate borrowings

(iv) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

Most of the Group's transactions are carried out in RMB which is the functional currency of most of the group entities.

The Group also hold cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Group's currency exposure based on the information provided by management is as follows:

	2008		
	United States Dollar RMB	Hong Kong Dollar RMB	Singapore Dollar RMB
Trade and other receivables	-	-	2,797,549
Cash and cash equivalents	33,589,405	-	29,706,492
Trade and other payables	(7,310,708)	(166,021)	(19,563,684)
Currency exposure	26,278,697	(166,021)	12,940,357

	2007 (unaudited pro-forma)
	Singapore Dollar RMB
Cash and cash equivalents	8,245

NOTES TO FINANCIAL STATEMENTS

24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the SGD and USD exchange rates (against Renminbi), with all other variables held constant, of the Group's profit net of tax and equity.

		Group			
		2008 RMB('000)		2007 RMB('000)	
		Profit net of tax	Equity	Profit net of tax	Equity
USD	- strengthened 1% (2007 - 1%)	215	215	-	-
	- weakened 1% (2007 - 1%)	(215)	(215)	-	-
HKD	- strengthened 1% (2007 - 1%)	(1)	(1)	-	-
	- weakened 1% (2007 - 1%)	1	1	-	-
SGD	- strengthened 4% (2007 - 1%)	424	424	*	*
	- weakened 4% (2007 - 1%)	(424)	(424)	*	*

* Effect on profit net of tax is less than RMB 1,000

25 FINANCIAL INSTRUMENTS

Fair value

The carrying amount of financial assets and liabilities with a maturity of less than one year is assumed to approximate their fair values.

The Group do not anticipate that the carrying amounts recorded at balance sheet date would be significantly different from the values that would eventually be received or settled.

26 CAPITAL MANAGEMENT

The Group's objectives when managing capital are:

(a) To safeguard the Group's ability to continue as a going concern;
(b) To support the Group's stability and growth; and
(c) To provide capital for the purpose of strengthening the Company's risk management capability; and
(d) To provide an adequate return to shareholders

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group currently does not adopt any formal dividend policy.

NOTES TO FINANCIAL STATEMENTS

26 CAPITAL MANAGEMENT (CONT'D)

The Group monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the balance sheet.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

There were no changes in the Group's approach to capital management during the year.

The Company and its subsidiaries are not subject to externally imposed capital requirements.

27 EVENTS AFTER BALANCE SHEET DATE

The Company and The Group

Subsequent to balance sheet date, the Company entered into a Loan and Option agreement which the Lender has agreed to advance the Company a loan for an aggregate amount of S$13,000,000. An Option has been granted in favour of the Lender to subscribe for an aggregate of up to 35,000,000 ordinary shares. The Lender can exercise the Option commencing from the date of disbursement of the Loan up until twelve months after the Repayment Date or 31 December 2010, whichever is later.

STATISTIC OF SHAREHOLDINGS

As at 17 March 2009

ISSUED AND FULLY PAID SHARES	:	1,782,149,429
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER SHARE

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 999	0	0.00	0	0.00
1,000 - 10,000	171	52.45	912,000	0.05
10,001 - 1,000,000	148	45.40	11,241,000	0.63
1,000,001 & ABOVE	7	2.15	1,769,996,429	99.32
TOTAL	326	100.00	1,782,149,429	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 17 MARCH 2009	NO. OF SHARES	%
NEWEST LUCK HOLDINGS LIMITED	941,739,014	52.84
LEAP FORWARD HOLDINGS LIMITED	509,530,634	28.59
PHILLIP SECURITIES PTE LTD	215,812,000	12.11
TAN HOO LANG	29,972,391	1.68
TAN FUH GIH	29,972,390	1.68
LIM HONG CHING	25,208,000	1.41
YEO SOCK KON	17,762,000	1.00
NG KIM TECK	846,000	0.05
YEO KIANG SIANG	652,000	0.04
LIM TCHEN NAN	631,000	0.03
LIM TAI SOON	485,000	0.03
THAM YEW FANG	316,000	0.02
DB NOMINEES (S) PTE LTD	311,000	0.02
ONG MUN WAH	305,000	0.02
NSB (SINGAPORE) PTE LTD	300,000	0.02
KIM ENG SECURITIES PTE LTD	295,000	0.02
HSBC (SINGAPORE) NOMINEES PTE LTD	240,000	0.01
ONG CHING SHYAN ESTHER	231,000	0.01
CHEN CHEW YEN	229,000	0.01
CHUA HEE TONG	220,000	0.01
	1,775,057,429	99.60

SUBSTANTIAL SHAREHOLDERS	NO. OF SHARES	%
NEWEST LUCK HOLDINGS LIMITED	941,739,014	52.84
LEAP FORWARD HOLDINGS LIMITED	509,530,634	28.59
PHILLIP SECURITIES PTE LTD	215,812,000	12.11

PUBLIC SHAREHOLDERS

Based on the register of Directors' shareholdings and the Register of Substantial Shareholders maintained by the Company as at 17 March 2009, approximately 330,879,781 Shares, representing 18.57% of the issued Shares, are in the hands of the public.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Meeting room 201 Level 2 Suntec Singapore International Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Tuesday 28 April 2009 at 10.00a.m. for the following purposes:

As Ordinary Business

1. To receive and adopt the Directors' Report and the Audited Accounts for the financial year ended 31 December 2008, together with the Auditor's Report thereon. (Resolution 1)

2. To re-elect Mr Xie Xin being a Director who retires by rotation pursuant to Article 106 of the Articles of Association of the Company. (Resolution 2)

3. To re-elect Mr He Zhao Ju @ Danny Ho being a Director who retires by rotation pursuant to Article 106 of the Articles of Association of the Company. (Resolution 3)

4. To re-elect Mr Xiao Zu Xiu being a Director who retires by rotation pursuant to Article 106 of the Articles of Association of the Company. [See Explanatory Note 1] (Resolution 4)

5. To approve the payment of Directors' fees of S$212,500 for the financial year ended 31 December 2008. (Resolution 5)

6. To re-appoint Messrs Grant Thornton as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 6)

As Special Business:

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolutions, with or without amendments.

7. "SHARE ISSUE MANDATE

   That pursuant to Section 161 of the Companies Act, Chapter 50 and the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:

   1. (i) issue shares in the capital of the Company (whether by way of bonus or otherwise); and/or

      (ii) make or grant offers, agreements or options (collectively, "instruments") that may or would require shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

   2. (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any instrument made or granted by the Directors while this Resolution was in force, provided that:

      (a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed 50% of the issued share capital (excluding treasury shares) of the Company (as calculated in accordance with sub-paragraph (c) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed 20% of the issued share capital (excluding treasury shares) of the Company (as calculated in accordance with sub-paragraph (c) below);

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate number of shares issued or issuable under this Resolution when added to the number of shares issued or issuable pursuant to Resolution (8) below, if any, shall not exceed 100% of the issued share capital (excluding treasury shares) of the Company (as calculated in accordance with sub-paragraph (c) below);

(c) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the percentage of issued share capital shall be calculated based on the issued share capital (excluding treasury shares) of the Company at the time of the passing of this Resolution, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities;

(ii) new shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the listing Manual of the SGX-ST; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares;

(d) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(e) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. [See Explanatory Note 2]

(Resolution 7)

8. **AUTHORITY TO ALLOT AND ISSUE SHARES UP TO 100 PER CENTUM (100%) OF THE TOTAL NUMBER OF ISSUED SHARES VIA A PRO-RATA RENOUNCEABLE RIGHTS ISSUE**

That authority be given to the Directors of the Company to issue shares ("Shares") by way of pro-rata renounceable rights issue at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that:

(a) the aggregate number of shares when added to the number of shares issued or issuable pursuant to Resolution (7) above, if any, does not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution;

(b) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of shares of the Company (excluding treasury shares) as at the date of passing this Resolution, after adjusting for:

(i) new shares arising from the conversion or exercise of convertibles securities;

(ii) new shares arising from the exercising of share options or vesting of Shares awards outstanding or subsisting at the time this Resolution is passed; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares;

NOTICE OF ANNUAL GENERAL MEETING

(c) And that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of such convertible securities. [see Explanatory Note 3]

(Resolution 8)

9. **PLACEMENT OF SHARES UNDER THE SHARE ISSUE MANDATE AT MORE THAN 10% DISCOUNT**

THAT notwithstanding Rule 811 of the Listing Manual, the Directors of the Company be and are hereby authorised, subject to the grant of the Share Issue Mandate proposed to be tabled as Resolution (7) above and pursuant to the terms and conditions of the Share Issue Mandate, to issue new shares of the Company to subscribers or placees under a share placement at a discount that exceeds 10% but not more than 20% to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If, however, trading in the Company's shares is not available for a full market day, the weighted average price shall be based on trades done on the preceding market day up to the time the placement agreement or subscription agreement is signed. [see Explanatory Note 4] (Resolution 9)

10. To transact any other business that may properly be transacted at an Annual General Meeting.

By Order of the Board

Lim Boon Ping / Soh Chun Bin
Joint Company Secretaries

Singapore, 13 April 2009

Explanatory Notes

(1) **Resolution 4** – Mr Xiao Zu Xiu when re-elected, will remain as Chairman and member of the Remuneration Committee. Mr Xiao will also remain as co-chairman of Nominating Committee and member of Audit Committee. He is an Independent Non-Executive Director of the Company.

(2) **Resolution 7** is to empower the Directors to issue shares in the capital of the Company and/or instruments (as defined above). The aggregate number of shares to be issued pursuant to Resolution 7 (including shares to be issued in pursuance of instruments made or granted) shall not exceed 50% of the issued share capital (excluding treasury shares) of the Company, with a sub-limit of 20% for shares issued other than on a pro rata basis (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) to shareholders provided that the total number of shares which may be issued pursuant to Resolutions (7) and (8) above shall not exceed 100% of the total issued shares (excluding treasury shares) in the capital of the Company. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued share capital will be calculated based on the issued share capital (excluding treasury shares) of the Company at the time of the passing of Resolution (7), after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of Resolution (7), provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and

(c) any subsequent bonus issue, consolidation or subdivision of shares.

NOTICE OF ANNUAL GENERAL MEETING

(3) **Resolution 8** is to empower the Director to issue shares in the capital of the Company up to 100% (from the existing 50%) of its issued capital by way of a pro-rata renounceable rights issue provided that the total number of shares which may be issued pursuant to Resolutions (7) and (8) above shall not exceed 100% of the issued shares (excluding treasury shares) in the capital of the Company. This is one of the new measures introduced by the Singapore Exchange Limited, in consultation with Monetary Authority of Singapore, on 20 February 2009 to accelerate and facilitate listed issuers' fund raising efforts and will be in effect until 31 December 2010.

This mandate is conditional upon the Company:

(i) making periodic announcements on the use of proceeds as and when the funds are materially disbursed; and

(ii) providing a status report on the use of proceeds in the annual report.

This mandate, if passed, will provide the directors with an opportunity to raise funds and avoid prolonged market exposure by reducing the time taken for shareholders' approval, in the event the need arises. Minority shareholders' interests are mitigated as all shareholders have equal opportunities to participate and can dispose their entitlements through trading of nil-paid rights if they do not wish to subscribe for their rights issue.

(4) **Resolution 9** is to authorise the Directors to issue new shares to subscribers or placees at a discount of not more than 20% to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed.

The maximum pricing discount of 20% is proposed pursuant to the SGX-ST's news release of 19 February 2009 which introduced further measures to accelerate and facilitate the fund raising efforts of listed issuers.

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint one or two proxies to attend in his stead. A proxy need not be a member of the Company.

2. A member of the Company which is a corporate is entitled to appoint its authorised representatives or proxies to vote on its behalf.

3. The instrument appointing a proxy must be deposited at the Office of the Share Registrar of the Company, B.A.C.S. Private Limited at 63 Cantonment Road, Singapore 089758, not less than 48 hours before the time appointed for holding of the Annual General Meeting.

This page has been intentionally left blank.

PROXY FORM — ANNUAL GENERAL MEETING

1. For investors who have used their CPF monies to buy shares in the capital of Ying Li International Real Estate Limited, this report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.

2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

YING LI INTERNATIONAL REAL ESTATE LIMITED
(Incorporated in the Republic of Singapore)
(Registration No. 199106356W)

I/We, ____ name)
of ____ (address)
being a member/members of YING LI INTERNATIONAL REAL ESTATE LIMITED (the "Company"), hereby appoint :

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her, the Chairman of the Annual General Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the Annual General Meeting of the Company to be held at 10.00 a.m. on Tuesday, 28 April 2009 at Meeting room 201 Level 2 Suntec Singapore International Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting)

	ORDINARY BUSINESS	**For**	**Against**
Resolution 1	To receive and adopt the Directors' Report and the Audited Accounts for the financial year ended 31 December 2008, together with the Auditors' Report thereon.		
Resolution 2	To re-elect Mr Xie Xin, a Director retiring pursuant to Article 106 of the Company's Articles of Association.		
Resolution 3	To re-elect Mr He Zhao Ju @ Danny Ho, a Director retiring pursuant to Article 106 of the Company's Articles of Association.		
Resolution 4	To re-elect Mr Xiao Zu Xiu, a Director retiring pursuant to Article 106 of the Company's Articles of Association.		
Resolution 5	To approve the payment of Directors' Fees for financial year ended 31 December 2008.		
Resolution 6	To re-appoint Messrs Grant Thornton as Auditors.		
	SPECIAL BUSINESS		
	Ordinary Resolution :		
Resolution 7	To authorise the Directors to allot shares pursuant to Section 161 of the Companies Act, Cap. 50.		
Resolution 8	To authorise the Directors to allot shares up to 100% of the total number of issued shares via a pro-rata renounceable rights issue.		
Resolution 9	To authorise the Directors to allot shares under the share issue mandate at more than 10% discount.		

Total Number of Shares held in :	
CDP Register	
Register of Members	

Date this ________ day of ____________ 2009

____
Signature(s) of members(s) or Common Seal

IMPORTANT : PLEASE READ THE NOTES OVERLEAF

NOTES :

1. Please insert the total number of Shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or, if he/she holds two or more shares, two proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the member must specify the proportion of shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100 per cent of the shareholdings of his/its appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.

4. The instrument appointing a proxy or proxies must be deposited at the Office of the Share Registrar of the Company, B.A.C.S. Private Limited at 63 Cantonment Road, Singapore 089758 not less than 48 hours before the time set for the meeting.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50.

Fold along this line

Affix Postage
Stamp Here

Office of the Share Registrar
YING LI INTERNATIONAL REAL ESTATE LIMITED
B.A.C.S Private Limited
63 Cantonment Road
Singapore 089758

Fold along this line

General :

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

COMPANY REGISTRATION NUMBER

199106356W

REGISTERED OFFICE

No. 35 Sungei Kadut Street 4
Singapore 729057
Tel: (65) 6334 9052
Fax: (65) 6733 3458

BOARD OF DIRECTORS

Fang Ming
Chairman & Chief Executive Officer
Xie Xin
Executive Director
Xu Li
Executive Director
Lee Chong Min
Non – Executive Director
He Zhao Ju @ Danny Ho
Non – Executive Director
Christopher Chong Meng Tak
Co-Lead Independent Director
Lui Seng Fatt
Co-Lead Independent Director
Xiao Zu Xiu
Independent Director

NOMINATING COMMITTEE

Xiao Zu Xiu
Co-Chairman
Lui Seng Fatt
Co-Chairman
Fang Ming
Christopher Chong Meng Tak

REMUNERATION COMMITTEE

Xiao Zu Xiu
Chairman
Christopher Chong Meng Tak
Lui Seng Fatt

AUDIT COMMITTEE

Christopher Chong Meng Tak
Chairman
Xiao Zu Xiu
Lui Seng Fatt

COMPANY SECRETARY

Yap Peck Khim, ACIS
(in respect of the period up to 17 November 2008)
Soh Chun Bin and Lim Boon Ping
(with effect from 17 November 2008)

FMG Corporate Services Pte Ltd
(in respect of the period up to 17 November 2008)
18 Cross Street #07-02
Marsh & McLennan Centre
Singapore 048423
Tel: (65) 6533 7600
Fax: (65) 6531 1855
Email: css@fmg.com.sg

Stamford Law Corporation
(with effect from 17 November 2008)
9 Raffles Place #32-00
Republic Plaza
Singapore 048619
Tel: (65) 6389 3000
Fax: (65) 6389 3099

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
(in respect of the period up to 31 December 2008)
3 Church Street #08-01
Samsung Hub
Singapore 049483

B.A.C.S Private Limited
(with effect from 1 January 2009)
63 Cantonment Road
Singapore 089758

AUDITOR

Foo Kon Tan Grant Thornton
(with effect from 23 April 2008)
Certified Public Accountants
47 Hill Street, #05-01,
Singapore Chinese Chamber of Commerce & Industry Building,
Singapore 179365
Partner-in-charge: Chin Sin Beng, CPA

PRINCIPAL BANKER

Bank of China
4 Battery Road
Singapore 049908

英利国际置业
YING LI INTERNATIONAL REAL ESTATE LIMITED
No. 35 Sungei Kadut Street 4
Singapore 729057
Tel: (65) 6334 9052
Fax: (65) 6733 3458